



Daily Report—

China

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Daily Report

China

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5 January 1990

NOTICE TO READERS: An * indicates material not previously disseminated in electronic form.

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General

French Warship Sale to Taiwan Viewed

Foreign Ministry Spokesman

HK0401130090 Hong Kong AFP in English 1252 GMT
4 Jan 90

[Text] Beijing, Jan 4 (AFP)—The Chinese government Thursday reiterated its opposition to the planned sale of French warships to Taiwan, calling such a move "direct interference" in its internal affairs.

"We have already stated our opposition very clearly," said foreign ministry spokesman Jin Guihua.

"We are resolutely opposed to any country selling any kind of weapons and military equipment to Taiwan or the co-production thereof with Taiwan," he said.

Beijing has always considered Taiwan a province of China.

On Wednesday France announced it had authorized negotiation for the sale of six La Fayette-type warships to Taiwan.

Reliable sources said several more frigates could be sold at a later date, taking the total number to around 15.

Mr. Jin said that if the sale were to take place, it would be considered a "direct interference in China's internal affairs."

(In Paris, a spokesman for the foreign ministry said Beijing's Ambassador to France, Zhou Jue, was received late Tuesday "at his request". The spokesman would not elaborate.

(But a spokesman for the Chinese embassy in Paris said that Mr. Zhou had discussed the frigate issue with Foreign Minister Roland Dumas. "Our position has been clearly explained," he said.)

French officials stressed Wednesday that the sale concerned only hulls of the 1,200-tonne La Fayette-type frigates as well as electronic surveillance equipment. No arms were involved, they added.

The French authorization did not constitute "a change in policy toward China" and did "not affect its security at all," they said. Nor did France intend to carry out the deal "in secret from Beijing authorities, who were informed."

Observers say a frigate sale could spark a major crisis in Franco-Sino relations, already at a low ebb since France began welcoming Chinese dissidents fleeing the country after the bloody June crackdown on pro-democracy demonstrators in Beijing.

French Premier's Office

HK0401151590 Beijing XINHUA in English 1509 GMT
4 Jan 90

[“French Government Arrogantly Approves Sales of Warships to Taiwan”—XINHUA” headline]

[Text] Paris, January 4 (XINHA)—The French government, disregarding the serious warnings from the Chinese government, decided recently to permit the sale of six "La Fayette" light frigates to Taiwan.

The French Premier's Office confirmed the news and argued that France will sell only the frigate's hull and electronic monitoring facilities such as ladar and sonar, instead of its military equipment such as missile and mine.

"The French government has not changed its policy towards China," the office said.

The frigate, a newly-developed warship which can tackle anti-submarine helicopters, is used for sea control, according to the Agence France-Presse (AFP) report. The frigate will service the French Navy from 1994. AFP added.

On December 28, Chinese Foreign Ministry spokesman said at a press conference in Beijing that the sale of military equipment to Taiwan or co-production of military equipment with Taiwan, whether directly or indirectly, in a complete or partial manner, constitutes direct interference in China's internal affairs.

Radio Talk Considers Malta Meeting

OW0501074890 Beijing in Mandarin to Taiwan
0205 GMT 30 Dec 89

[From the "Rambling Talk on Current Events" program hosted by Wen Liang]

[Text] Dear listener friends, how are you today? I am Wen Liang. We now begin our "Rambling Talk on Current Events" program. You are welcome to join us.

Dear listener friends, U.S. President Bush and Soviet leader Gorbachev had summit talks aboard warships in the Mediterranean on 2 and 3 December. Though it was only informal, everyone generally followed it with interest. What first caught our attention was that Baker, U.S. Secretary of State, and Shevardnadze, foreign minister of the Soviet Union, had reached an agreement after discussions in the United States only just over a month ago for the leaders of the two countries to hold a summit in the United States sometime at the end of spring or early summer next year. Why did they hold an informal summit earlier than the scheduled summit by 6 months? This was mainly because the conflicts and struggle emerging from international detente had led to a change in the situation and caused the leaders of the two countries to shorten the timetable for their summit.

A series of conspicuous changes have taken place in Eastern Europe since the end of summer and early autumn of 1989. They became the focus of attention all over the world. The United States and other countries in the West were full of hope for the changes in the situation in Eastern Europe, and attempted to influence the development of the situation there through various means and channels. Even so, they did not want the development of the situation in Eastern Europe to get out of control and take a turn for the worse. In the words of Bush himself, at the juncture when drastic changes were taking place in Eastern Europe, he did not want to miss the opportunity of learning about views firsthand from Gorbachev and did not want to let two large ships steaming in the dark miss each other because their communications were out of order. In fact, both the United States and the Soviet Union wished to find out each other's intention, policy, and movement concerning the issue of Eastern Europe through contacts between the leaders of the two countries. Meanwhile, they hoped to restrain and influence each other. The informal summit was nothing but a bout in the struggle between the United States and the Soviet Union in the course of international detente.

Dear listener friends, generally speaking, detente and dialogue prevail in the current international situation. However, detente is not equivalent to being entirely free from fighting or regional tension; and dialogue is not equivalent to being entirely free from confrontation. Behind detente are hidden sharp conflicts and fierce fighting. As far as the informal summit is concerned, though the U.S. and Soviet leaders mouthed a good deal of high-sounding words on the issue of detente, they failed to iron out the deep-rooted differences, doubts, and misgivings existing between them. It is quite meaningful that public opinion called it the U.S.-Soviet summit on stormy seas. You may have learned that the U.S.-Soviet summit was originally scheduled to be held aboard the Soviet guided missile cruiser Slava, but the meeting place was changed to the luxurious Soviet cruiseliner Maxim Gorkiy shortly before the scheduled meeting time due to rough seas which tossed the vessel up and down. Some reporters covering the event used the condition of the vessel being tossed up and down and its instability to describe the current relations between the United States and the Soviet Union and between the East and West. I think such description gives us much food for thought.

Dear listener friends, contradictions and struggle have always existed between the two camps of the capitalist countries of the West, led by the United States, and the socialist countries of the East, with the Soviet Union as their representative, over a long period, due to ideological differences. Such contradictions and struggle have become even more obvious along with the recent changes in the international situation. The United States and countries in the West tried to use the social systems, concept of value, and ideology of the West to influence the process of reforms in the Soviet Union and other

socialist countries in the East. U.S. President Bush proposed the so-called strategy that transcends deterrence in May 1989. The fundamental concept of the strategy was, while maintaining the military strength of the United States and the West and being on guard against, and preventing, Soviet expansion, to take advantage of the opportunity arising from the reforms being carried out in the Soviet Union and countries in the East to give full play to the strong points of the United States and the West and use more economic, political, cultural, and ideological means to compete with, and struggle against, the Soviet Union and other socialist countries in the East in every aspect and in every field. Compared with military actions, it is a struggle encompassing more aspects and is far more subtle. The United States and other countries in the West took actions shortly after the strategy was proposed. They encouraged and supported the political turmoil on the Chinese mainland at the turn of spring and summer in 1989. It was the strategical struggle in action.

The most conspicuous part of the strategy transcending deterrence carried out by the West against the East is using economic aid as a bait to incorporate the Soviet Union, Eastern Europe, and other socialist countries in the political and economic systems of the society in the West, through the means and process of peaceful, methodical evolution. For instance, Bush announced plans to aid Poland and Hungary on separate occasions during his visit to Poland and Hungary in July 1989. The summit of seven nations in the West held in Paris in the middle of July again adopted resolutions to collectively provide aid for Poland and Hungary. The countries in the East, with the Soviet Union as their representative, were not indifferent to the competition and struggle staged by the United States and other countries in the West. Soviet leader Gorbachev moved one step earlier than Bush by visiting the French leader on the eve of the latter's departure for Poland and Hungary. Gorbachev delivered a speech to the Council of Europe in Strasbourg. He made it clear that Europe belongs to two different social systems, that this historical fact must be admitted, and that the sovereignty of every nation to choose its own social system by its own will must be respected. At a joint press conference held together with French President Mitterrand, he also refuted the argument of the so-called crisis of communism advanced by the West. During his meeting with Canadian Prime Minister Mulroney on 21 November, Gorbachev said that the Soviet Union is prepared to conduct various economic contacts with the West. He also warned the West against any attempt to take advantage of this opportunity to achieve their political objectives and exert influence over decisionmaking by a sovereign state. In the meantime, the Eastern European countries, with the Soviet Union as their representative, were making efforts to build a European mansion to confront the transcendent-deterrence strategy being implemented by the United States. The [concept of] European mansion

was put forward by Gorbachev in 1985. Its significance lies in maintaining long-term peace and stability in Europe.

Dear listener friends, the development of the situation in Europe over the past month was quite beyond the expectation of the two superpowers. Therefore, the European issue stood out on the agenda in the recent meeting more than any other U.S.-Soviet summit held in the past. Neither side made any attempt to conceal the truth that the Eastern European issue captured the limelight of the summit. Out of their different considerations of interests, Bush and Gorbachev expressed the so-called non-interference in the development of the situation in Eastern Europe. It was reported that this was a common understanding reached between them. However, their involvement in regions and their vigilance evidently still existed. According to a disclosure by the U.S. Secretary of State Baker, the U.S. side clearly and definitely warned the Soviet Union during the summit that it would very adversely affect the relations between the two countries if the latter intervened in Eastern Europe. Gorbachev said to reporters after the summit that he asked the United States not to disrupt the stability and jeopardize the security of Europe in an irresponsible manner without any regard for the consequences.

Dear listener friends, though both Bush and Gorbachev gave positive evaluation of the recent summit held in the Mediterranean, the open strife and veiled struggle between the United States and the Soviet Union will still go on as before. Public opinion might differ in their evaluation of the significance and influence of the recent summit. No matter what kind of views may be held by public opinion, we wonder if they have noticed a view which has caused less argument, that is, the time in which a big country dominates international affairs is gone forever, never to return. Any tacit understanding and agreement reached in the U.S.-Soviet summit will never be able to determine the destiny and future of the people of any country in Europe.

Dear listener friends, today's "Rambling Talk on Current Events" program comes to an end here. Thank you for listening.

International Situation, Prospects Viewed
HK0501095590 Beijing CHINA DAILY in English
4 Jan 90 p 4

[Text] As the 1990s begin, Chinese specialists in international politics offer their views in *WORLD AFFAIRS* magazine on the current international situation and future developments. Excerpts follow:

The detente between the Soviet Union and the United States, which influenced world politics, will undergo a real test in the 1990s, Pan Zhenqiang said.

As is well known, detente has progressed chiefly because the Soviets have time and again made concessions out of the need for domestic reform and a relaxed international environment.

But how far will the Soviets back down in the next decade?

The "beyond containment" strategy adopted by the United States puts a high price on detente. The Soviets offer a counter-bid: No interference in its domestic affairs, adherence to socialism, no "export of revolution" nor "export of capitalism" to Eastern European nations.

This is the first test to come, Pan said.

The process of detente has progressed at a rapid pace quite beyond the expectation of both superpowers.

Second Text

Are the superpowers prepared for the dissolution of the two-pole framework of international politics since Yalta into a multi-pole situation? The answer is not yet.

This is the second test to come, Pan said.

Europe has been the focal point of East-West confrontation since the end of World War II. But in recent years, the "two Europes" are showing increasingly strong centrifugal tendency away from the two superpowers. The small detente in Europe, which is characterized by the two Europes' friendliness with each other, is well on its way, Chen Xiaogong said.

Drastic changes in Europe, however, once again make it a political hot spot. People have begun to talk about the dissolution of the Yalta framework. Recognizing that Europe is the axis upon which the structure of international politics hinges, the concerned parties try to avoid taking rash actions, fearing that an abrupt tip of strategic balance would cause chaos. At the same time, however, they vie to become the standard-bearer of a "unified Europe." George Bush's "free and united Europe," Mikhail Gorbachev's "the Edifice of Europe," and the European Community's "grand European market" are all aimed at bringing about a Europe in favour of its own interest, Chen said.

When Soviet-American detente reaches a new height, significant cuts in their military budgets are expected. So is the case with nations in regional conflicts that are dying down, Li Ruogu said.

This is likely to have a great impact on the world economy. Over the last decades, billions of U.S. dollars have been spent on weaponry each year. Now largely reduced military budgets mean largely increased investment in economies. The economic perspective of the Soviet Union, in particular, looks promising if the country is to be relieved substantially of the overwhelming burden of military spending, Li said.

The economies of various countries are being grouped in economic spheres or communities. This is the direction in which the world economy is going. The American and Canadian trade sphere has taken shape, a unified European market will be established in 1992 and the Asian-Pacific economic sphere is in the making. Developing countries are also setting up economic organizations of their own, Li said.

This is progress towards a unified global economy. Excluded from the world economic community, the individual economies, especially those of developing countries, will be placed in a very disadvantageous position.

Japan

China's development is closely related to the development of other countries in the world, especially those in the Asian-Pacific region.

In 1986, the country's total volume of foreign trade reached \$100 billion, accounting for one-third of its gross national product. About two-thirds of its trade is conducted with the countries in the Asian-Pacific region. China's foremost trade partners, Hong Kong, the United States and Japan, which are also the country's biggest investors, are in this region. So co-operation with Asian and Pacific countries should have the most of our attention, Li said.

Now Japan is readjusting its economic structure, trying to promote its domestic consumer needs. Exclusively depending on exports and enormous capital will not make Japan a real economic power. It must become a chief market of the world economy. Japan's effort to expand its domestic consumer needs offers an opportunity for other countries to enter the Japanese market. South Korea, Singapore, Thailand, Malaysia and the Philippines are re-orienting their economies in the hope of gaining a big share of the Japanese market. China should not let the golden chance slip through its fingers, Li said.

Southeast Asia & Pacific

LIAOWANG Views Philippine Coup Attempt

HK0501040190 Hong Kong LIAOWANG OVERSEAS EDITION in Chinese No 52, 25 Dec 89 pp 28-29

[“Special Dispatch” from Manila by Zhai Shuyao (5049 2885 5069): “The Serious Coup Tempest in the Philippines”]

[Text] The Philippine coup, which had been fully suppressed on 9 December, was the sixth since President Corazon Aquino assumed office, an exercise on the largest scale with the most fierce fighting, the longest duration and most serious consequences involved. The storm had come out of the blue almost wiping out the Aquino government known as “the window on Western democracy and a model of nonviolent revolution” that

had been in office for 3 years and 8 months. The causes of this 9-day coup and its consequences have aroused widespread world attention.

During the late evening hours of 30 November and the early morning of 1 December, several thousand members of the Philippine marine corps and reconnaissance shock force all along considered to be “well armed and well trained with loyalty to the government” started a coup in the capital of Manila under the cover of tanks. With lightening speed, the rebels occupied at one stroke the military camps of land and air force units, air force bases, the national television station, the international airport, and other strategic points. They also mobilized military planes continuously bombing the president's residence and the command headquarters of Armed Forces. Given a sudden change in the situation, the government troops were placed in a passive position. At this critical moment, the Aquino government was forced to ask the United States for air support with the mobilization of F-4 “Phantom-type” fighters. The government Army also transferred reinforcement troops from other areas in an attempt to recapture strategic points. But the rebel troops put up a stiff resistance. They occupied the busy financial and commercial district in the capital and used high-rise buildings as cover in attacking government troops. Only on 7 December did the rebels in the capital “surrender” to the government troops in the name of “an initiative to withdraw back to military camps.” The rebels occupying the air force base of Cebu, the second largest city of the Philippines, held out until 9 December when they retreated back to their camps. According to an official announcement, at least 80 people were killed and more than 500 others were injured in this coup.

The features of this coup are: the involvement of a large number of people, strict organization, and swift action. According to the latest official announcement, more than 3,000 soldiers and over 10 military officers participated in the coup, with also politicians and businessmen supporting them from behind. The coup had no known political aim. The leaders of the rebel troops openly issued a statement to the press demanding the resignation of President Aquino and the establishment of a “democratic reform government” run jointly by soldiers and civilians. Another obvious feature of the coup is that the Armed Forces under the control of the Philippine Government were so weak that the government had to turn to the United States for military help.

A three-foot thickness of ice is not caused by 1 day of cold, as a Chinese saying goes. So this Philippine coup on an unprecedented scale has deep-rooted political, military and economic causes. Since assuming office, President Aquino has adopted certain reform measures and achieved much in such respects as stabilizing the political situation, developing the economy, and so forth. Therefore, after the fifth bloody coup on 28 August, 1987, the whole country witnessed a stable political situation for a continuous period of 2 years and 3 months. But the political situation had all along in it

many destabilizing factors and political, military and economic contradictions. The latest coup is a result of the vicious development of these destabilizing factors and contradictions.

Politically, the existing government has in recent years gradually shown a phenomenon of corruption and impotence. Many promises made by Aquino in starting the revolution of the "people's force" have not been made good. The people have felt increasingly disappointed with the government. Reform measures like land reform, and so forth were formulated. But given the resistance of ruling groups with vested interests, these measures have long been subjects of debate. Decisions made after prolonged discussions have not been acted upon. Several months before the coup, the low efficiency of the government, the shortage of electric power throughout the country, and a paralysis in communications and transportation had given rise to public indignation. Congressmen of the ruling party and the opposition had been attacking the government for its impotence, calling for the resignation of certain ministers by name. A political crisis had formed. Conspirators in the government had acted by taking advantage of the time when the prestige of President Aquino and the government was at its lowest point.

Militarily, various factions with different views exist within units made up of the state's 250,000-strong Armed Forces. Especially the "Reform the Armed Forces Movement" (RAM) organization with young field grade officers as its backbone has secretly developed. This is a direct cause of the latest coup. The coup was openly launched by RAM. Of the five previous coups in the Philippines, two were inspired by "RAM." After his failure with the fifth bloody coup and his escape from the ship in which he was held, Honasan, head of RAM, has not been resolutely tracked down and brought to the law by the government. Nor has the government taken strict legal action or disciplinary measures against those officers and men involved in the coup. Instead, they were each subjected to the symbolic punishment of doing 40 pushups. They were even provided with provisions and military titles. Thus, there had actually been tolerance for rebellion, given "justification for rebellion" and "the conferment of honors on troublemakers." Another great potential threat had been brought about. In the Army, the RAM organization with its theory and its political program had vigorously promoted the Armed Forces as being above the civil government and called for the use of nonviolence to overthrow the legitimate government. Its chief members are mostly officers below the rank of lieutenant colonel with soldiers actually put under their command. They count for much in the Army. To start the latest coup, they had spent 2 years making preparations and raising more than 20 million pesos. They even openly called in military camps mobilization meetings of soldiers, while high-ranking officers were totally left in the dark. Economically, the Philippines is facing difficulties, with a serious effect on the people's standard of living. This is what sparked the

latest coup. Despite the economic growth of the Philippines in recent years, there has existed a wide gap between rich and poor, with heavy foreign debt and a swelling deficit. The Philippine currency has suffered from depreciation, with inflation and skyrocketing commodity prices. The people are murmuring with discontent. People in all walks of life have taken to the streets staging demonstrations. Workers and teachers have gone on strike demanding a pay increase. The day before the coup, the government announced an increase in oil prices, further arousing mass indignation. Labor organizations announced a nationwide general strike. Those authors of the coup had taken advantage of this favorable opportunity to act. Political observers and the press media here are revealing and analyzing the international background behind this coup. Some newspapers pointed out that the United States had taken double-faced tactics. It had actually known the matter beforehand and offered support for the coup. Military sources revealed that 2 days before the coup, 12 U.S. military vehicles fitted out with sophisticated telecommunications equipment were driven by Americans into the camps of the Philippine marine corps, which started the coup. They were obviously prompted by a desire to gather information on the coup for the United States. One week before the coup, Marcos' confidant Cojuangco had secretly slipped back to Manila from the United States. In a press article, (Bu-lai-si) [1580 5490 2448], former head of the Associated Press branch in the Philippines, revealed that the rebels were pro-American anticommunists. Given the success of the coup, the U.S. bases in the Philippines would be more consolidated than under the rule of Aquino. Only because the coup was unpopular did the United States support instead the government, demonstrating the role of the U.S. bases. Some newspapers said that in this coup, the United States had become the biggest winner. The U.S. hand had been strengthened in future talks about bases.

The coup will have a serious effect on the development of the Philippine political situation in the future. The state has been badly battered politically and economically. The coup has also exposed the tender spot of the existing regime. It failed to bring the Army under control and had to turn to the United States for help. Things show that if the government cannot take effective measures to quickly heal the wounds inflicted on the state by the coup, and cannot resolutely get rid of the potential threat of a new coup, the survival of the government is still in jeopardy.

What is worth noting is that in retreating back to the military camps, the 400-odd rebel troops that had occupied Manila's financial district were in neat formation toting rifles with live ammunition and singing war songs at the top of their voices as if they had returned triumphantly as heroes. One of the leaders of the rebel troops said: "We are not surrendering. We will keep on fighting." Leaders of the rebel troops at the colonel level and some dynamic forces have already run away to work underground. Things about those politicians and businessmen plotting and helping the coup have also so far

not been clear. According to what the leaders of the rebel troops said to the press, they will carry out the second plan for the coup. From this, it can be seen that the threat of a coup started by them still cannot be underestimated.

In the past few days, fighting has stopped. In this Catholic state, a festive atmosphere has appeared in ushering in Christmas. People have noted with delight that at the 100,000-strong rally in the capital on the 8th to celebrate the suppression of the rebellion, President Aquino said that she wanted to change the state of lethargic leadership and to resolutely overcome the crisis brought by the coup. She has declared the whole nation as being in a state of emergency and asked Congress to give her wide powers in imposing a state of emergency, including taking strong action against economic disruption, severely dealing with the rebel troops' use of propaganda means to carry out antigovernment publicity, and so forth. The president has also indicated a desire for a cabinet reshuffle to improve efficiency and resolutely punish coup participants. News analysts here pointed out that the main problem hereafter is to realistically carry out on a firm basis various effective measures without fanfare, in order to quickly restore the country's political stability.

Sub-Saharan Africa

Agreement Signed To Build Mali Congress Building

OW0501022890 Beijing XINHUA in English
0137 GMT 5 Jan 90

[Text] Bamako, January 4 (XINHUA)—China will finance and build a 10,000-square-metre palace of congress for Mali in the capital here.

The Chinese ambassador to Mali, Liu Lide, Thursday signed the agreement on the project with Mali's minister of Public Construction and Urban Affairs, Cheick Oumar Doumbia.

President Moussa Traore today also talked with a Chinese experts' team about the project. The team, composed of 10 architects from the Hangzhou Research Institute in Zhejiang Province, has set up two models of the construction after visiting and studying Mali's traditional architecture for nearly two months.

The complex, in traditional Malian style, will consist of a meeting hall with 800 seats, four other meeting rooms and a dining room. It will be 30 meters high.

The building's cost and planned completion date are not known.

Abidjan Adopts 'Twin' City Proposal With Tianjin

OW0401054290 Beijing XINHUA in English
0227 GMT 4 Jan 90

[Text] Abidjan, January 3 (XINHUA)—The municipal council of Abidjan, economic capital of Cote d'Ivoire,

has adopted a proposal to "twin" with the Chinese city of Tianjin, the Ivoirian daily "FRATERNITE-MATIN" reported today.

The paper says it was hoped this decision would increase trade, with China buying cacao and coffee.

Abidjan, with almost two million inhabitants, is a financial and tourism centre.

East Europe

Survey Reflects Reaction to Eastern Europe

HK0501022190 Hong Kong HONGKONG STANDARD
(CHINA TODAY SUPPLEMENT) in English 5 Jan 90 p 2

[By Tammy Tam]

[Text] Drastic changes in Eastern Europe, especially the downfall of Romanian dictator Nicolae Ceausescu, shocked the Chinese people during the last days of the 1989.

Many Chinese observed the sudden changes with mixed feelings. From one point of view, the killings in Romania revived bitter memories of the brutal June 4 crackdown on the Chinese democracy movement, while from another, the Chinese people were encouraged and inspired.

However, deep in their hearts not many Chinese expect similar dramatic changes in China because of the different circumstances between the two countries, and nor do they wish to see that happen.

Some people in coastal areas such as Shanghai, Guangdong and Fujian who were contacted by THE HONGKONG STANDARD recently expressed the same wish—to maintain stability in China.

"The country simply cannot afford to have more turmoil after the June 4 incidents, otherwise the economy will collapse. We have already suffered a lot because of June 4; we don't want to have another June 4," said a Shanghai businessman. His sentiments were echoed by many ordinary people.

It seems many people accept the official rationale for suppressing the democracy movement in China: the country is too big for democracy to be reached overnight.

"We are always proud because we have such a big country. But now I begin to realise that too big a country is a real problem. If China was just the size of Guangdong Province, the situation would be completely different," said a Guangzhou teacher.

"In his analysis, (party General Secretary) Jiang Zemin is right on one point. It is that the situation in China is different from that in Eastern Europe," said the teacher. "The education system in China is so backward, and the opposition political forces are so loose. Even if the Communist Party was overthrown by the people, there

would be new power struggles. As an ordinary person, I don't want to have any more political movements but just a peaceful life."

Ordinary people want stability because they have suffered enough from the numerous political movements in the past, such as the Cultural Revolution.

Businessmen also want stability because they want to continue trading in overseas markets.

The authorities want stability to consolidate their rule.

Inspired by developments in Eastern Europe, Chinese people have begun to speak out publicly again after being silenced by the June 4 killings.

In Shanghai, the base of the new party chief Jiang Zemin, Romania has become the main topic of conversation. People at the same time are puzzled by Beijing reports on events in that country.

They were interested in changes in Eastern Europe not only because of the significant influence on China, but also because the Shanghai party secretary travelled to Romania shortly before the toppling of the communist regime there.

The delegation attended the national Communist Party conference of Romania.

"I believe the Chinese delegation advised Ceausescu to take tough measures to crackdown on any kind of protests, but that led to his downfall," said one Shanghai party member.

"I don't know whether China will still be friends with other socialist countries. It seems that wherever Chinese officials visit, the communist rule in the place topples," another Shanghai party member said.

In Fujian Province's Xiamen city, one of China's five special economic zones, people shared the same feelings. Although it was impossible for people to celebrate the victory of the Romanian people, they dared to talk about it.

"Because Beijing has recognised the new government in Romania, it is alright for us to discuss the matter," one resident said.

Although inspired by developments in Eastern Europe, many Chinese still felt helpless to change the political system in China.

A Shanghai official said many Chinese would still prefer a good emperor rather than a good constitution.

Romanian Events Inspire Dissidents

HK0501031190 Hong Kong HONGKONG STANDARD
(CHINA TODAY SUPPLEMENT) in English 5 Jan 90 p 2

[By Fan Cheuk-wan]

[Text] The dramatic victory of the people's revolution in Romania and the execution of Communist dictator Nicolae Ceausescu and his wife Elena have greatly raised the hopes of exiled Chinese dissidents for the renewed success of China's pro-democracy movement.

After learning the lesson of the Romanian uprising, exiled mainlanders anticipate an imminent coup d'état in China as they believe the split within the Chinese leadership and army has been intensified in the wake of drastic changes in Eastern Europe.

In a lengthy commentary published after the execution of Ceausescu, Yan Jiaqi, a prominent political scientist and chairman of the Paris-based Federation for a Democratic China, said the Romanian events would prompt the Chinese leadership to divide into two major factions.

"The hard-liner faction which had direct involvement in the Beijing massacre will not make any concessions to the demands of the people," Professor Yan said.

"The death of Ceausescu will prompt the hard-liners to tighten military control and they are ready to launch another round of massacres once the Chinese people stand up again to challenge the party," he said.

"But those senior leaders who had no direct involvement in the massacre were alerted to the strength of 'people power' and they are waiting for a chance to break with the hard-line faction," he said.

Professor Yan predicted that Chinese Premier Li Peng and state President Yang Shangkun will step down in a bloodless or violent coup in the near future.

The dissident expected paramount leader Deng Xiaoping to step down or die within the decade. After that, communism would become a symbol of "disaster" on the mainland, he said.

"Marxism-Leninism will be harshly criticized by the Chinese people and in place of Marxism, democratic socialism will rapidly spread in China during the 1990s," he said.

In a recent symposium, entitled The Prospects for the Pro-Democracy Movement on the Mainland, held in Taiwan, Wan Runnan, secretary general of the Federation for a Democratic China and former boss of the Stone Corporation in Beijing, said he expected the Chinese pro-democracy movement to attain success this decade.

Mr Wan said the downfall of Ceausescu had dealt a severe blow to the Chinese Communist Party leadership, which had become increasingly isolated in the international arena following the victory of the Romanian uprising.

Mr Wan said the Chinese people had been greatly encouraged and motivated by the success won by the Romanians.

"The top leadership within the Chinese Communist Party will become more divided in their attitude towards the prodemocracy movement," he said.

At the same symposium, Su Xiaokang, fugitive intellectual and chief writer for the controversial television series, River Elegy, said the death of Ceausescu would not make the Chinese leaders more rational. On the contrary, they would adopt more heavy-handed measures to prevent the resurgence of the pro-democracy movement.

"After the Chinese leaders found that Ceausescu was quickly executed after his arrest, they will crush all kinds of protests in China at all costs. They are afraid of meeting the same end as Ceausescu," he said.

Mr Su pointed out that Chinese pro-democracy activists should pay special attention to the key factor in the Romanian uprising's success—the support of the army.

"After learning the lesson of Romania, we should conduct studies on the People's Liberation Army in China, including its history, existing leadership, internal factional conflicts, attitude towards economic reforms and power distribution of different Military Command Districts," he said.

"We should also study the possibility of a civil war, its repercussions and remedial measures in order to pave the way for a violent coup d'etat in the future," he said.

During his first visit to Taiwan, prominent Chinese dissident and veteran journalist Liu Binyan said the Romanian revolution would bring drastic changes to the political situation on the mainland.

"What happened in Romania will have greatest impact on the conservative leaders of the Chinese Communist Party and the sons and daughters of the senior cadres," he said.

"The downfall of Ceausescu has shown the conservative leaders in China that hard-line and suppressive measures will lead to the eventual collapse of the party," he said.

"The Romanian incidents will also prompt the sons and daughters of senior Chinese leaders to rethink their own futures," he said.

In a commentary written for the UNITED DAILY NEWS in Taiwan, Yuan Zhiming, exiled intellectual and one of the writers of River Elegy, coined a truism from the recent political development in East Europe.

Mr Yuan said the more initiatives started by Communist Parties in introducing democracy at the people's demands, the lower is the political cost they are required to pay.

"But the more brutal and hard-line the dictators, the more tragic will be their eventual fate," Mr Yuan wrote in his commentary.

"The political changes in Eastern Europe have largely upset the Beijing regime; the upheaval in Romania has shocked Chinese leaders," he said.

Mr Yuan expected hardline leaders to become more conservative and suppressive in tightening political control over the people.

But Mr Yuan also expected reformist leaders within the party to become more liberal after learning of the bloody experiences of Romania.

"The consciences and rationale of the reformists within the party will be inspired by the Romanian revolution and they will better understand the grand pattern of history," he said.

"The news of the drastic changes in Eastern Europe cannot be blocked out on the mainland completely. News of the democratic reforms in Eastern Europe has spread to every corner of China," he said.

"The confidence of the Chinese people, in particular the intellectuals, in fighting for democracy has been greatly boosted.

"Chinese people only lack a spark—a chance to rise up—under the strong motivation by the Eastern Europe," he said.

Also speaking at the symposium in Taiwan, Hu Ping, chairman of the New York-based Chinese Alliance for Democracy, said the downfall of Ceausescu would intensify the power struggle within the Chinese Communist Party.

"The top leadership of the party is filled with mutual suspicion and mistrust. The death of Ceausescu worsened the conflicts among the top leaders," he said.

"The split within the party will further lead to the outbreak of protests by intellectuals, workers, peasants and even the army," he said.

Mr Hu expected the next round of pro-democracy protests to come with the death of Deng Xiaoping and the power struggle within the party to reach a climax then as well.

"The prospects for the pro-democracy movement on the mainland are very optimistic. The one-party totalitarian rule on the mainland is expected to be overthrown in three to five years," he said.

But Mr Hu expected China's pro-democracy movement to be resurrected from the top leadership of the party, not from the masses at the bottom of society.

"To accelerate the outbreak of the pro-democracy protests, overseas Chinese pro-democracy organisations should launch political propaganda campaigns against party and government cadres," he said.

Liu Yongchuan, chairman of the All-America Autonomous Federation of Chinese Students, expected China to undergo political changes which were favourable to democratic development.

However, Mr Liu did not expect China would achieve democracy in near future. He said the death of Ceausescu would deal a great blow to the Chinese leadership due to their long-standing friendship.

"The death of Ceausescu will impose adverse effects on the current situation on the mainland since the Chinese Communist Party will further tighten control and suppress the people," he said.

Student leader Zhang Rui also anticipated harsher suppression and political persecution by the Chinese government in the wake of the successful Romanian revolution.

"The wave of democratic reforms in Eastern Europe will make Chinese leaders glad they suppressed the Beijing student movement," he said.

"The situations in Romania and China are rather different. Romania is a member of the Eastern bloc headed by the Soviet Union, but the Chinese Communist Party has implemented traditional feudalism in China," he said.

But Mr Zhang was optimistic about the future of China's pro-democracy movement.

Latin America & Caribbean

Anniversary of Ecuador Ties Celebrated

Government Groups Mark Event

OW0401231690 Beijing XINHUA in English
1254 GMT 4 Jan 90

[Text] Beijing, January 4 (XINHUA)—The Chinese People's Association for Friendship With Foreign Countries and the China-Latin America Friendship Association jointly gave a reception here today to mark the 10th anniversary of the establishment of Sino-Ecuadorian diplomatic relations.

Liao Hansheng, vice-chairman of the Standing Committee of the National People's Congress, and Ecuadoran Ambassador to China Rodrigo Valdez B. and his wife attended the reception.

Han Xu, president of the Chinese People's Association for Friendship With Foreign Countries, said that since China and Ecuador established diplomatic ties, relations between the two countries have developed smoothly.

Exchanges and cooperation in various fields by the two countries have been enhanced, visits between the leaders and officials of the two governments are on the increase, and the understanding and friendship between the people of the two countries have been deepened, Han said.

Ambassador Valdez in his address at the reception said that in the past decade, the Ecuadoran and Chinese Governments and people have strengthened their relations.

He said the leaders and peoples of the two countries have made positive achievements in the work to benefit the interests of the people of the two countries.

Ecuadoran Envoy Hosts Reception

OW0501043790 Beijing XINHUA in English 0159
GMT 5 Jan 90

[Text] Quito, January 4 (XINHUA)—The Chinese ambassador to Ecuador, Wang Ganghua, and his wife today hosted a reception to mark the 10th anniversary of the establishment of diplomatic relations between China and Ecuador.

About 170 people, including National Congress President Wilfrido Lucero and Vice President Antonio Rodriguez, Foreign Minister Diego Cordovez, Secretary of the Presidency Gonzalo Ortiz, National Media Secretary Luis Proano, Mayor of Quito Rodrigo Paz, and several undersecretaries of state (vice ministers) and other government officials attended.

Also present were representatives from various social sectors and from the Chinese community in Ecuador.

Photos were exhibited featuring exchange visits between the two countries since diplomatic relations were established on January 2, 1980.

Political & Social**Deng Suggests Larger Role for Democratic Parties**

HK0501073390 Hong Kong SOUTH CHINA MORNING POST in English 5 Jan 90 pp 1, 12

[By Willy Wo-Lap Lam]

[Text] Senior Chinese leader, Mr Deng Xiaoping, has spelled out the role for the nation's eight non-communist or "democratic" parties in a speech to top leaders.

"The democratic parties should be turned from flower-vase parties into ones that take part in politics," he said.

"The Chinese Communist Party (CCP) should boost the relationship of friendly co-operation with the parties.

"However, we will never allow democratic parties to become opposition parties. The ban on (opposition) parties should be maintained."

Mr Deng made the remarks at an informal meeting of elders and party leaders, including the General Secretary, Mr Jiang Zemin, and other members of the Politburo Standing Committee in Beijing on December 28.

A Chinese source said that by allowing the "flower vase" or decorative parties to take part in politics, Mr Deng was bringing about only a cosmetic change to the traditionally subordinate role of the non-communist parties.

"By allowing them to take part in politics, Mr Deng means no more than seeking the advice of democratic-party politicians on major policies and appointing a token number of such politicians to relatively senior government positions," the source said.

"The long-standing principle of multi-party cooperation and political consultation under the leadership of the Chinese Communist Party is unchanged."

Analysts say that by appearing to take the initiative in letting democratic parties have a larger say in policies, Mr Deng hopes to forestall the formation of any real opposition force in the country.

Mr Deng gave his opinion on non-communist parties while discussing the recent turn of events in Eastern Europe, including the fall of the Ceausescu government in Romania.

"Why has the situation in Eastern Europe changed so rapidly?" Mr Deng asked.

"It happened first of all in Poland. As a result of the spread of the Solidarity movement, a viable force of opposition took root.

"This quickly led to the loss of power of the Polish Communist Party".

"We must draw a lesson from the Poland experience. We should absolutely not allow an opposition party to take shape in China."

Mr Deng's edict was reflected in Mr Jiang's talk to a group of democratic-party leaders on New Year's Eve, when he said Beijing would "uphold and perfect the system of multi-party co-operation under CCP leadership".

At the same time, a recently prepared party document on multi-party cooperation pointed out clearly that "the CCP is the leading core of the socialist enterprise and the ruling party" and that "the democratic parties accept the leadership of the CCP and work closely with it on socialist projects."

Western diplomats say that rather than granting real power to the non-communist parties, the CCP wishes to use them as a channel to monitor and control the nation's intellectuals, who were at the forefront of the democracy movement last spring.

The eight democratic parties, most of whose members are "patriotic" or conformist intellectuals, have been on the payroll of the CCP's United Front Department since 1949.

Analysts say that Mr Deng's December speech underlined the fact that, far from having retired, the patriarch is still playing a dominant role in Chinese politics.

Late last month, Mr Deng sent one of his daughters, Miss Deng Rong, on what Chinese sources said was a "fact-finding" trip to Singapore and Hong Kong.

Miss Deng, who has acted as an interpreter for Mr Deng, returned to Beijing from Hong Kong on December 29.

Miss Deng was reportedly accompanied by a daughter of the President, Mr Yang Shangkun.

Yuan Mu Meets Students Detailed to PLA Academy

OW0401224890 Beijing XINHUA Domestic Service in Chinese 1456 GMT 4 Jan 90

[By reporter Li Xinrui (2621 2450 6904) and correspondent Lu Xuan (7120 1357)]

[Text] Shijiazhuang, 4 Jan (XINHUA)—Delegated by the State Council and Premier Li Peng, State Council spokesman Yuan Mu visited the Shijiazhuang Army Academy of the Chinese People's Liberation Army from 2 to 3 January to meet with the Beijing University freshmen who are receiving military and political training there as well as all the cadets and faculty members of that military academy.

Yuan Mu extended New Year's greetings to the students on behalf of Premier Li Peng and other leading comrades of the State Council. He expressed his wish that they will study well and keep fit in the new year. He also expressed the wish that in the 1990's the students will grow stronger, become more mature, and temper themselves into outstanding people for the country through painstaking study and hard struggle and by plunging into

social practice and integrating themselves with the masses of workers and peasants.

As a friend of the students, Yuan Mu exchanged views with them on the domestic and international situation in a harmonious and unconstrained atmosphere. After reviewing the domestic situation since the counterrevolutionary rebellion was quelled, he said: Over the past 6 months, the national situation, policies, and people's morale have remained stable and the social order has returned to normal quickly. This shows that it is an irresistible historical trend that the Chinese people have chosen the Communist Party's leadership and the socialist road; that the people are happy to have an army loyal to the party, the people and socialism; that the Chinese Communist Party is worthy of being called a great, glorious, and correct party; and that the new central leading collective elected at the 4th Plenary Session of the 13th CPC Central Committee is winning the people's support and trust by its concrete action. If the party's fundamental line of one central task and two basic points is adhered to comprehensively and accurately, if leading cadres at all levels take the lead in conscientiously solving the practical problems whose solutions are urgently required by the people, and if the stability and continuity of the party's basic principles and policies are maintained, China's situation can remain stable continuously, the unstable factors that still exist at present can be overcome step by step, and the socialist cause can advance constantly.

Yuan Mu then studied and analyzed China's economic situation with the students. He said: Our country has made tremendous achievements in economic construction, which have attracted world attention, over the past decade of reform and opening to the outside world. Our gross national product has increased at an average annual rate of nearly 10 percent and grown 1.51 times during this decade. This is unprecedented in Chinese history and is by no means inferior as compared to the development achieved by many other countries in the same period. Of course, we face rather severe difficulties and should never take lightly the overall imbalance, structural imbalance, inflation, and other problems that began to appear because of the overheated economy in the latter half of 1984. The principle set by the central authorities to improve the economic environment, rectify the economic order, and deepen the reforms has achieved initial results, and we now have experiences and have found regular patterns to overcome the difficulties. As long as we carry out this principle persistently, China's economy will move out of predicament, and the goal of quadrupling the gross national product and of enabling the people to live a comfortable life by the end of this century will be guaranteed.

Yuan Mu also exchanged views with the students on the international situation and the situation in Eastern Europe, about which the students are concerned. He said: Although the situation in Eastern Europe and the international situation have undergone some major changes, there has been no fundamental change in the

overall international situation, which is moving from tension to detente and from confrontation to dialogue. Factors leading to war do exist, but factors for peace are growing, and the possibility of world peace being maintained over a fairly long period still exists. The possibility of China striving for a peaceful international environment over a fairly long period so that it can concentrate efforts on socialist construction also still exists. Of course, the changes in the international situation, including the situation in Eastern Europe, has had a serious impact on the East and West and will affect China to a certain extent. Yuan Mu stressed: China has never yielded to any outside pressure. China will march steadfastly along the socialist road it has chosen regardless of how the international situation changes. With experiences and lessons drawn from our own country and from the world, China will strengthen steadfastly, consistently, and unremittingly the building of the Chinese Communist Party itself, uphold the four cardinal principles, oppose bourgeois liberalization, keep to the socialist orientation and the people's democratic dictatorship while conducting reforms and opening to the outside world, and strive to build socialism with Chinese characteristics by uniting the people of the whole country to rely on their own efforts to struggle hard.

Yuan Mu visited classrooms, students' dormitories, the club, and the canteen. He talked extensively with the students and inquired about their daily lives. He touched the students' quilts to feel their thickness and looked at the students' articles used for study and for everyday life. He sometimes picked up the "birthday bowls" that the canteen uses to provide special foods to students on their birthdays. At other times, he stood before the special column of the student-run wall poster under the heading "Study the Revolutionary History of the Older Generation, Write a Good Youth History of Our Own" or thumbed the works written by the students, including such articles as "Gains from Study" and "Ideals of the Youth." Seeing the students' smiling faces and hearing their loud songs, Yuan Mu asked them again and again: "Are your living conditions satisfactory here?" Meanwhile, he exhorted them to do their best to remodel their world outlook on their own initiative in the course of learning science, culture, military, and politics, uphold a firm, correct political orientation, and be successors to carry on the socialist cause.

Ma Xiaowei, a student of the Computer Department in the 21st Company, was deeply moved. He said: "We are very grateful to Comrade Yuan Mu for visiting us on behalf of Premier Li Peng in spite of his extremely busy work. We know that this represents the political concern and hope that the party and state have shown and placed in us as well as the entire young generation around the country. We will not fall short of the earnest expectations of the party and state. We certainly will put above anything else in the course of our study from now on the need to have a firm political faith so that we will be worthy successors to the socialist cause and carry on the socialist banner from generation to generation in the future."

Zeng Hongwei, a female student of the English Language Department in the 20th Company, made this remark: "In nearly 3 months of military and political training, I have felt at all times and in all places the affection and solicitude that have come from all sides. Letters from our parents, teachings from the teachers, and the visit by the State Council comrade, who has come for an ideological exchange with us—all these have made us feel warm at heart. Leaders, teachers, and parents may rest assured that our minds are maturing day by day, and that we will steadfastly take the socialist road."

Further on Jiang Zemin Address to CYL Plenum

*OW1612180189 Beijing XINHUA Domestic Service
in Chinese 1404 GMT 15 Dec 89*

[By RENMIN RIBAO reporter Yuan Jianda (5913 1696 6671), and XINHUA reporter He Ping (0149 1627)]

[Text] Beijing, 15 Dec (XINHUA)—Jiang Zemin, general secretary of the CPC Central Committee, met with all the comrades attending the 2d Plenary Session of the 12th Central Committee of the Chinese Communist Youth League [CYL] at the Great Hall of the People this afternoon.

Jiang Zemin congratulated the convocation of the plenary session and wished it success.

Jiang Zemin said: Party leadership, which includes the CYL's role as an assistant to the party, is very important. The CPC has 48 million party members and the CYL 56 million. These are not small numbers, but even more important is their quality, which must be improved constantly. If the quality of party and CYL members is good, then they can play an enormous role.

Jiang Zemin pointed out: The situation in China is stable for three main reasons. The first is that the CPC is a party that has gone through numerous tests, and although it still faces many problems, it is on the whole a good party which maintains close ties with the masses and is armed with Marxism-Leninism-Mao Zedong Thought. The second is our Army, which is under the party's absolute leadership and is a long-tested and battle-seasoned people's army which maintains close ties with the masses. The third reason is our country and our people, who have the traditions of waging valiant struggles and of never yielding to pressure. It is because of this that the Chinese people should not belittle themselves.

Jiang Zemin urged the vast number of CYL cadres and members to work with greater confidence and higher spirit and to work hard with the vast number of young people with whom they have contacts to accomplish the assignments set by the 5th Plenary Session of the 13th CPC Central Committee.

Present at the meeting and the 2d Plenary Session of the 12th CYL Central Committee were Song Ping, member of the CPC Central Committee Political Bureau Standing Committee; and Ding Guangen, alternate

member of the Political Bureau and member of the Secretariat of the CPC Central Committee. They also spoke on issues relevant to the implementation of the guidelines of the 5th Plenary Session of the 13th CPC Central Committee and to accomplishing the work assigned to the CYL.

Ding Guangen said: At this time our thinking and our actions should be unified under the guidelines of the 5th Plenary Session of the 13th CPC Central Committee. It is now most important to do these two things well: First, we must maintain political stability and unity; and, second, we must ensure a sustained, steady, and coordinated economic development by carrying out economic retrenchment and deepening reform. Without further economic retrenchment and reform, our economic construction cannot possibly proceed, and the successes already achieved in construction and reform will be forfeited completely without political stability and unity. Likewise, if the economy cannot develop in a sustained, steady, and coordinated manner, our society will become more unstable and political stability and unity will not be maintained for long. Both of these two things are vitally important.

Ding Guangen said that firm actions must be taken to maintain political stability and unity. He said: Now that the party has shifted the focus of its work to economic construction, we must firmly uphold the four cardinal principles and the "two basic points"—carrying out reform and opening to the outside world—and combat bourgeois liberalization. We must heighten our vigilance and guard against hostile forces from abroad from subverting our country and promoting peaceful evolution in our country. Because concession leads nowhere, we must never compromise or concede in the face of the offensive launched by the proponents of bourgeois liberalization. We must build a strong party which maintains close ties with the masses and serves the people wholeheartedly. We must energetically intensify ideological and political work, education on socialist and communist ideology, and education on patriotism and collectivism. We must show concern for and properly carry out ideological education among the younger generation, and encourage and guide the young people to carry forward the work started by their predecessors.

Ding Guangen pointed out: To make economic retrenchment and reform a success, we must be aware of the economic difficulties confronting us, heighten our spirit, and act more courageously and confidently to combat the difficulties. CPC and CYL members must set an example by heightening their spirit. They must always place the interests of the state ahead of everything else and voluntarily subordinate their personal interests to those of the whole. CYL organizations must work with the CPC with one heart and one mind. To contribute to the cause of construction and reform, all CYL leaders must take the lead in tightening their belts for a few years and lead the vast number of CYL members and young people to increase output and revenues and conserve resources and expenditures.

Ding Guangen stressed: The CYL must uphold firmly the party's leadership and maintain a high degree of unity with the party Central Committee politically and ideologically as well as in actions. The CYL has always had the glorious tradition of acting in response to the calls of the party and to go wherever the party points to. Ding Guangen said: The CYL must make efforts to make it more progressive. The CYL would divorce itself from the young people if it were to forfeit its mass nature, and it would be unable to lead the young people in marching forward were it not progressive. In the final analysis, the CYL's appeal, coherent strength, and militancy are derived from its progressiveness. The vast number of CYL members must use the Lei Feng spirit to guide their thinking and actions, always be loyal to the party and the people, and dedicate their limited lifespan to the unlimited cause of serving the people.

Ding Guangen said: The CYL must do more actual work for the assignments set by the 5th Plenary Session of the 13th CPC Central Committee. It must face the needs of the grass roots units and serve them earnestly. He said: An important criterion for evaluating the performance of leading CYL organs is to ascertain whether grass roots CYL organizations have fighting power. The work of grass root units must be handled persistently and energetically. As long as grass root CYL organizations really serve as the link between the party and young people, the CYL operation certainly will become more lively and colorful.

Comrade Ding Guangen concluded: We are now at the critical moment of revitalizing China and achieving the four modernizations. The vast number of young people must display a greater sense of urgency and responsibility. To rejuvenate a nation, the people of the nation itself must have the courage to surmount difficulties together. Thus, all CYL members must have the courage to regard the cause of their country as their own responsibility and to dedicate their youth to the people and the state. Ding Guangen urged the CYL to make itself a important stabilizing force in society and to achieve outstanding successes in improving the economic environment, rectifying the economic order, and deepening reform for the sake of the party, the state, and the people.

Today's meeting was chaired by Song Defu, first secretary of the CYL Central Committee. Present at the meeting were Liu Yandong, Li Yuanchao, Zang Baoshun, Li Keqiang, Lo Sang, Liu Qibao, and Feng Jun, members of the CYL Central Committee Secretariat.

Jiang Zemin Responds to College Student's Letter
OWI612202689 Beijing XINHUA in English
1617 GMT 16 Dec 89

[Text] Beijing, December 16 (XINHUA)—A letter sent by Jiang Zemin, general secretary of the Chinese Communist Party Central Committee, on Wednesday to a student at the Beijing Medical Sciences University has aroused an excited reaction on the school campus.

Many students said that Jiang's reply has demonstrated the concern of the party Central Committee for young people and given them proper guidance for their future progress.

Buren Bayar, a student from the Inner Mongolia Autonomous Region, wrote to Jiang Zemin about his views on the Chinese Communist Party, his intention to join it and his experience in the application.

"Your letter expressed your faith that the body of the party is clean and honest, and its main trend good," Jiang said, adding that "we have seen from your letter that the heart of the younger generation is pure, and its main trend also good."

Speaking of young people, he said a large number love the Chinese Communist Party and socialism and are determined to devote themselves to the cause of communism. They represent the main force of young people. With the two main trends integrated, "our cause is promising," Jiang said.

The general secretary expressed his gratitude to Buren Bayar for cherishing the party.

"Communism, the cause you are devoted to, is not only an unprecedentedly great and magnificent cause of mankind, but also an unprecedentedly arduous and tough cause," Jiang said.

Only by consistently devoting himself to the cause of communism under any difficult conditions, can one become a real fighter for communism, Jiang Zemin stressed.

In an interview with XINHUA today on the campus, Buren Bayar said he had never thought the party's general secretary would reply to his letter.

This shows that the party Central Committee has great expectations for college students, he said, adding that in his school, more than 300 students have applied for admission to the Chinese Communist Party.

Director of the Office of the Party Committee of Beijing Medical Sciences University Wang Chimin said the letter by General Secretary Jiang Zemin to Buren Bayar was broadcast over the past days on the school campus with Bayar's consent. It has aroused an active reaction from students, he said.

Many students said Buren Bayar's letter to the general secretary expressed their aspirations. They said they should have a clear understanding of the main trend of the party, otherwise they will deviate from the right path.

'Overseas Media on Beijing Disturbance' Published
HK0401135590 Beijing ZHONGGUO XINWEN SHE
in Chinese 1234 GMT 4 Jan 90

[Text] Beijing, 4 Jan (ZHONGGUO XINWEN SHE)—A book entitled "Overseas Media on Beijing Disturbance" has recently been published by the Xinhua Publishing House. The book extensively collects articles on last year's Beijing disturbance written by people abroad and comments by foreign newspapers and periodicals.

With a total of 120,000 characters, the book contains 50 speeches by figures abroad on the Beijing disturbance. They include articles written by world-famous statesmen and scholars such as former U.S. Secretary of State Kissinger and former U.S. Defense Secretary Weinberger.

It is said that the articles have made respective analyses from different angles of the origin, influence, and lesson of the turmoil and counterrevolutionary rebellion. At the end of the book, there are two appendices, "Exhibition of Rumors by the Voice of America" and "40 Examples of Rumors Fabricated by Hong Kong and Taiwan Newspapers."

ZHONGGUO XINWEN SHE on Overseas Chinese Congress

22 Dec Commentary

HK0201034090 Beijing ZHONGGUO XINWEN SHE
in Chinese 1341 GMT 22 Dec 89

[Commentary: "An Unprecedented Grand Meeting Inspiring Returned Overseas Chinese"—ZHONGGUO XINWEN SHE headline]

[Text] Beijing, 22 Dec (ZHONGGUO XINWEN SHE)—The Fourth National Congress of Returned Overseas Chinese, which has become extraordinarily noteworthy because CPC Central Committee General Secretary Jiang Zemin gave a speech at the meeting, concluded today.

In his speech, Jiang Zemin recalled the major contributions made, and the great support given, by the vast number of Overseas Chinese compatriots at the crucial junctures of the Chinese nation in history. He also indicated that the CPC, the Chinese Government, and the Chinese people will never forget the contributions made by the returned Overseas Chinese, relatives of Overseas Chinese, and Chinese nationals residing overseas to the great cause of regenerating and reunifying the motherland. This showed that the Chinese leaders fully affirm the support of the returned Overseas Chinese, relatives of Overseas Chinese, and Chinese nationals residing overseas to the motherland. This will greatly inspire the returned Overseas Chinese and relatives of Overseas Chinese who gave up their homes and careers in foreign countries, returned to the motherland, and then went through all kinds of hardships and difficulties, and will further arouse their enthusiasm for loving the

motherland and their hometowns and making joint efforts to build the motherland.

In the past few days, many deputies said that they were glad and inspired after hearing General Secretary Jiang Zemin understood, affirmed, and supported the returned Overseas Chinese, relatives of Overseas Chinese, and Chinese nationals residing overseas. They indicated that they will live up to what the leaders expect and will make the greatest efforts for building the motherland into a powerful and prosperous country.

The decisions adopted by the National Congress of Returned Overseas Chinese are favorable to raising the status of returned Overseas Chinese and relatives of Overseas Chinese, to winning respect and care from society, and to arousing the enthusiasm of returned Overseas Chinese and relatives of Overseas Chinese. At the opening ceremony on 18 December, the Overseas Chinese Affairs Office of the State Council and the National Federation of Returned Overseas Chinese jointly commended 980 outstanding returned-Chinese intellectuals and entrepreneurs. Liao Hui, Director of the Overseas Chinese Affairs Office of the State Council, called them outstanding representatives and good examples of the returned Overseas Chinese and relatives of Overseas Chinese.

The National Congress elected the new leading body of the national federation of returned Overseas Chinese and adopted the new Constitution of the federation. It is believed that the National Federation of Returned Overseas Chinese will play a greater role in maintaining extensive ties with returned Overseas Chinese, relatives of Overseas Chinese, and Chinese nationals residing in foreign countries, safeguarding their legitimate rights and interests, strengthening their unity, and attracting more overseas funds, technologies, and talents.

With the concern of all social circles and with the mobilization of the initiative of returned Overseas Chinese and relatives of Overseas Chinese, a new situation in the handling of Overseas Chinese affairs will certainly be brought about.

29 Dec Roundup

HK0301075790 Beijing ZHONGGUO XINWEN SHE
in Chinese 0326 GMT 29 Dec 89

[Roundup by reporter Zhao Jian (6392 0256): "China Attaches Greater Importance to Intellectuals Who Are Returned Overseas Chinese or Relatives of Overseas Chinese"—ZHONGGUO XINWEN SHE headline]

[Text] Beijing, 29 Dec (ZHONGGUO XINWEN SHE)—A few days ago, 899 outstanding intellectuals who are returned Overseas Chinese or relatives of Overseas Chinese were commended ceremoniously at the People's Hall in Beijing, where Chinese leaders awarded them certificates of honor. This move indicated that China had taken another new step forward in bringing

the role of intellectuals who are returned Overseas Chinese or relatives of Overseas Chinese into full play.

Recently, Chinese leaders in various fields of endeavor have delivered speeches one after another and departments concerned have made special trips to convene meetings, stressing the need to give full play to the talents and role of intellectuals who are returned Overseas Chinese or relatives of Overseas Chinese.

Just as Chen Baigao, deputy director of the Office of Overseas Chinese Affairs of the State Council said: Intellectuals who are returned Overseas Chinese or relatives of Overseas Chinese have made indelible contributions to China's construction. The results of research by Huang Weiyuan, a returned Overseas Chinese in Shanghai, on fluorine chemistry and fluorine materials, were of great significance in the detonation of China's first atomic bomb, the launching of intercontinental missiles, and the birth of artificial blood. In the construction of the Daqing Oilfield, Feng Jiachao, a returned Overseas Chinese in Heilongjiang, discovered a method of concentrated transportation of oil in highly frigid areas, which foreign experts had failed to solve. Zhang Lizhu, a returned Overseas Chinese in Beijing, made contributions to the birth of China's first test-tube baby. Contributions made by intellectuals who are returned Overseas Chinese or relatives of Overseas Chinese are too numerous to mention individually.

Recently Jiang Zemin, general secretary of the CPC Central Committee, fully affirmed the numerous contributions made by intellectuals who are returned Overseas Chinese or relatives of Overseas Chinese. He said: "After the founding of New China, a number of scientists, young students, and patriots left their relatively affluent living conditions behind, surmounted all kinds of obstacles, and returned to the motherland to participate in socialist construction, and have made outstanding contributions." Jiang Zemin indicated that the CPC and the Chinese Government would never forget this.

Peng Chong, vice chairman of the Standing Committee of the National People's Congress, also held: Intellectuals who are returned Overseas Chinese or relatives of Overseas Chinese are a contingent characterized by relatively high quality and comparatively extensive contacts with the outside world, of whom some are experts and scholars who enjoy a high reputation at home and abroad. He pointed out: Efforts should be made to bring the intelligence and wisdom of intellectuals who are returned Overseas Chinese or relatives of Overseas Chinese into full play so that they can make greater contributions to China's construction and the development of mankind's science and technology.

This year Chengdu, Hangzhou, Shanghai, and other parts of the country convened meetings one after another to affirm the important role played by intellectuals who were returned Overseas Chinese or relatives of Overseas Chinese in the construction of the localities where they lived.

To create conditions for bringing the role of intellectuals who are returned Overseas Chinese or relatives of Overseas Chinese into fuller play, as early as 1983, the Office of Overseas Chinese Affairs of the State Council held a national forum on the work concerning intellectuals who were returned Overseas Chinese or relatives of Overseas Chinese. At that time, Vice Chairman Liao Chengzhi appealed for greater respect and consideration for intellectuals who were returned Overseas Chinese or relatives of Overseas Chinese. The appeal evoked considerably great repercussions in all quarters of society. Later on, localities redressed the unjust, false, and wrong cases among intellectuals who were returned Overseas Chinese or relatives of Overseas Chinese and promoted more than 10,000 people to leadership posts at the county level and above. Some of them became governors or vice governors. Moreover, many intellectuals who were returned Overseas Chinese or relatives of Overseas Chinese were given better housing conditions.

A responsible person from the government department in charge of Overseas Chinese affairs maintained: In the current new situation, it is necessary to do a better job in the work concerning intellectuals who are returned Overseas Chinese or relatives of Overseas Chinese and to pay particular attention to bringing into play their role in their specific jobs, in the process of improving the economic environment and rectifying the economic order and deepening reforms, and also in such areas as making contacts with their relatives and friends living abroad and importing capital, science and technology, and qualified personnel.

Recently, the Office of Overseas Chinese Affairs of the State Council and the All-China Federation of Returned Overseas Chinese called the related responsible persons of 19 provinces and municipalities for a meeting to exchange experience. Expressing their readiness to keep close ties with intellectuals who are returned Overseas Chinese or relatives of Overseas Chinese, to reflect their opinions, suggestions, and demands, to make thorough efforts to understand the difficulties and problems in their work, and to show greater respect for them, they stressed creating better working conditions for them as far as possible.

Workers Apply for Permits To Stage Rallies

HK0301013390 Hong Kong SOUTH CHINA MORNING POST in English 3 Jan 90 pp 1, 10

[By Seth Faison in Beijing]

[Text] Workers hit by China's recession have applied in more than 30 Chinese cities to carry out legal demonstrations involving a total of more than 500,000 people, a secret Communist Party document has revealed.

A party source familiar with the document said it did not indicate exactly how many rally applications were made in the period since July 1, or if any rallies were permitted.

But it reflected the rising frustration of workers, whose incomes have been slashed as a result of the Government's tough economic austerity programme.

Workers in many cities have been laid off by factories so strapped for cash that they have been able to pay only between 40 and 70 percent of workers' monthly wages.

Other workers have complained that they lost up to 70 percent of their salaries in October and November in the form of forced purchases of government bonds that are not redeemable for several years.

In the industrial city of Chongqing, according to another source, workers recently applied for a legal march at which they would chant predetermined slogans, one of which was "We Want Food to Eat".

Other slogans were ostensibly pro-government—"Support the Correct Leadership of the Communist Party" and "Support the People's Democratic Dictatorship"—but these could also be seen as indirect forms of protest.

China's constitution stipulates that citizens have the right to demonstrate, but local authorities whose approval is required are rarely known to have granted it.

For example, when student demonstrations erupted across the country in the wake of former leader Hu Yaobang's death in April, nearly all were carried out without prior permission and therefore technically illegal.

In Beijing, one source said, several dozen workers last week staged an afternoon-long sit-in at the Municipal Public Security Bureau before they were forcibly removed.

It could not be ascertained how they were handled.

A senior official, municipal vice-secretary Mr Ding Weijin, said he was unaware that workers had lodged any rally applications in the capital recently. The basic situation was stable, he added.

Mr Ding also said that no application had been made for the December 9 demonstration in front of the Ministry of Radio and Television at which seven university students were arrested. Beijing. [sentence as published]

One source said that following that incident numerous central government instructions were issued to martial law and municipal authorities on how to handle any demonstrations swiftly.

Chinese leaders are fearful, especially following events in Romania, that even small expressions of protest could escalate among workers who are feeling the pain of the nation's economic difficulties.

Among the steps taken to prevent unauthorised gatherings, sources said, are new regulations which now require that any factory intending to lay off workers must first

guarantee that 100 percent of the affected workers' salaries will continue to be paid.

Second, such factories must receive prior approval from a relevant government authority.

Despite firm pledges last autumn to stick to a painful process of economic revamping, the leadership has gradually softened its stance in the face of possible unrest.

The Prime Minister, Mr Li Peng, in a recent speech to a national planning meeting, said the increase of labourers "waiting for work" could not be avoided while the economy was undergoing rectification.

"(Those waiting for work) should not be thrown out into society," Mr Li said.

"They should be managed in an organized way, mobilized to do beneficial work within enterprises, such as maintaining machines, checking warehouses, beautifying compounds and studying politics and technology."

He added that their "basic standard of living should be ensured", and that a "reasonable" salary or living expenses should be provided.

Concern that students might dare to take to the street again spurred leaders last week to put martial law troops on alert and to transfer armed police to the northwestern section of the capital, where the universities are.

Although no demonstrations and only a few wall-posters have been sighted, students at Beijing Normal University last week held a "collective stroll" at which at least 200 students walked around the centre of the campus.

Students said they did not know of any specific plan for organized activity on January 8, the anniversary of the death of former Premier Zhou Enlai, but did not rule it out.

In an apparent effort to discourage any thought of further demonstrations in the centre of Beijing, authorities announced last week that a new rule had been passed banning "gatherings, rallies or demonstrations" in Tiananmen Square.

The rule, passed by the Beijing Municipal People's Congress, appeared to be the same as previous regulations that applied to all of Beijing.

2,500 Arrested in Six Vices Crackdown

OW3012130889 Beijing XINHUA in English
1248 GMT 30 Dec 89

[Text] Beijing, December 30 (XINHUA)—Some 2,500 persons have been arrested in a nationwide campaign to crack down on the "six evils", a senior official said here today.

Wang Jingrong, spokesman of the Ministry of Public Security, said at a press conference that from November

13 to December 15, over 350,000 law offenders involved in 140,000 cases were punished.

The "six evils" refer to prostitution, pornography, selling women or children, involvement in drugs, gambling and conducting superstitious activities for profit.

On November 13 the State Council held a national tele-conference to launch a nationwide campaign to crack down these "six evils".

Analysts here pointed out that the campaign showed the government's determination to clean up Chinese society.

Wang said that among the six, gambling is the most widespread. Some 80,000 gambling cases involving 240,000 persons have been investigated across the country in the past couple of months.

Meanwhile, in coastal Guangdong Province the police have smashed several criminal gangs, capturing 39 guns and over 100 bullets.

Deng's Ideas on Literature, Art Examined

HK0301134490 Beijing RENMIN RIBAO
in Chinese 26 Dec 89 p 6

[Article by Lin Huanping (2651 3562 1627): "My Understanding on Studying 'Deng Xiaoping's Comments on Literature and Art'"]

[Text] The publication of "Deng Xiaoping's Comments on Literature and Art" is a happy event in literary and art circles.

Comrade Deng Xiaoping's thought on literature and art is the enrichment and development of Marxist ideology and Mao Zedong's thought on literature and art; it is the thought on literature and art for China's new period. It inherits the Marxist view on literature and art, and Mao Zedong's thought on literature and art, as well as proposes some new viewpoints according to the need for reform and opening up.

After learning from "Deng Xiaoping's Comments on Literature and Art," I would like to discuss three points of my understanding:

(1) It properly solves the problem of relations between literature and art on the one hand, and politics on the other.

In his "congratulatory speech" delivered at the fourth national meeting of the representatives of literature and art workers, Comrade Deng Xiaoping already clearly proposed that literature and art is not required to submit to temporary, concrete, and direct political duties. But it is not to say that politics has no position in literature and art. He said that the slogan of literature and art submitting to politics and serving politics was proposed under the specific historical conditions during the period of revolution and struggle; at that moment, it played the role it should play. Now the historical environment has

changed, so the slogan must also change accordingly, to meet the needs of the new environment. The Constitution stipulates that the four cardinal principles are the basis for building the country, so writers and artists cannot leave this basis for building the country. Comrade Deng Xiaoping's discussion on the relations between literature and art on the one hand, and politics on the other, is made according to the rule of literature and art, as well as to the objective requirement; it is not random.

Thereafter, a RENMIN RIBAO editorial formally proposed that "literature and art serve the people and socialism," acting upon the spirit of the central authorities. This is the development of the orientation of literature and art advocating that "literature and art serve the workers, the peasants, and the soldiers" in the new historical period of socialism. When we say that "literature and art serve the people and socialism," its contents are more profound, and its distinction of an era is more explicit. Our country is a people's republic, and the people are the masters of the country; our literature and art serve the people, and it is right and proper. If they do not serve the people, then who do they serve? Our country is a socialist country, and it is the most advanced form of state and system of state in history. It is a country which practices public ownership system, and is a country that belongs to the people of the whole country, and this is its nature. To serve the people and socialism is the holy duty for our writers and artists. To build socialism with Chinese characteristics according to the practical situation of our country is the holy duty for the whole people of the country. Enthusiastically express the socialist way of life with Chinese characteristics, and build the socialist literature and art with Chinese characteristics, is the holy duty for our writers and artists.

(2) It properly solves the problem of relations between literature and art on the one hand, and the people on the other.

At any time, and in any country, people always demand progress. They are the motive forces for revolution. The revolutionary writers and artists always have the demand for revolution. On this basic point, the people, writers, and artists are identical. The people need historical development, social change, and satisfaction from and improvement of their own material and cultural lives. Therefore, the people badly need writers and artists to express their material and spiritual, sorrowful and joyful, happy and unhappy aspects of life, as well as their wishes and aspirations. Therefore, the people need literature and art.

The life of literature and art rests on expressing the life of the people; abandoning the life of the people, literature and art will lose their lives. Of course, in the society, there is individual life, thought, and sentiment, but when they are expressed in literature and art, they are purified and typified. At that moment, they are no longer individual things, but are an integration between the big self

and the small self, and between peculiarity and generalization. Therefore, if literature and art are to have a vivid life, they must express the vivid life of the people. Some writers and artists hold that literature and art are absolutely the expression of one's ego. This kind of concealed alienation from the human society is, I am afraid, "the song that is only available in heaven." Once writers and artists leave their people, they lose their careers in literature and art.

(3) It properly solves the problem of relations between "serving socialism and the people" and the "double hundred" policy.

The policy of "letting a hundred flowers blossom and a hundred schools of thought contend" was set forth by Comrade Mao Zedong in 1957, and is a policy we have persistently upheld. In recent years, some writing practices and art practices by some writers and artists have used the pretext of following the "double hundred" policy, but separated from or violated the four cardinal principles; they have therefore committed errors, and lost direction.

Some comrades advocate multiplicity, and negate the mainstay. Our country's mainstay is the four cardinal principles prescribed by the Constitution; if the four cardinal principles are negated, then, where should we go? Bourgeois liberalization is the road to capitalism. This is basically opposite to the four cardinal principles. Therefore Comrade Deng Xiaoping has always advocated the upholding of the four cardinal principles, and has opposed bourgeois liberalization. It is applicable to philosophy, political science, and economics, and so also to literature and art.

But upholding the four cardinal principles does not mean restriction of the "double hundred" policy, just as the implementation of the "double hundred" policy does not mean abandonment of the four cardinal principles. In his "congratulatory speech" delivered at the fourth national meeting of the representatives of literature and art workers, Comrade Deng Xiaoping also said clearly that we should let writers decide on what to write and how to write during the course of practice. The rule of literature and art demands varieties of method, of form, and of style.

Regarding the problem of thought on literature and art, various schools and sects can exist as they wish, and under the guidance of Marxism, contend with one another, absorb others' strong points, and abandon one's weaknesses, so as to build the Marxist theory on literature and art with Chinese characteristics. It is open, and forever developing alongside the development of history. If there are attempts to reduce or even negate the guidance of Marxism, then it is easy to embark on the negative way. The people will certainly not agree to the replacement of realism by modernism, nor will they consent to modernism as a direction for China's socialist literature and art. What we are building is socialist

spiritual civilization, not any other civilization, and therefore, it must proceed under the guidance of Marxism.

Commentator's Article Urges Political Stability

*HK2912025989 Guangzhou NANFANG RIBAO
in Chinese 17 Dec 89 p 1*

[Commentator's article: "Only When There Is Stability Can We Seek Development"]

[Text] Recently, Comrade Deng Xiaoping has repeatedly emphasized: "Stability is an overriding task." "The greatest interest in China is stability." A political situation of stability and unity, and a stable social order, is the common aspiration of people throughout the country, and a pressing demand of the socialist modernization drive.

In the contemporary world, a stable social order is a must for all countries and regions in order to seek development. The longer the period of stability, the faster the development, and the more prosperous the country will become. Now, in China, the broad masses of people have become the masters of the country. We must treasure our peaceful environment that has been won through long-term hard struggle and make common efforts to maintain the political situation of stability and unity so as to ensure the smooth progress of our economic construction, reform, and opening up.

Political stability is the guarantee, and economic stability is the foundation, for the stability of the entire society. If our economic situation is in a mess and the people's standard of living is dropping, there will be no stability in our society. Therefore, while further consolidating and developing the political situation of stability and unity, we must also concentrate our strength on economic work and enable the economy to develop continuously, steadily, and harmoniously through carrying out economic improvement, rectification, and deepening reforms. The purpose of stability is to develop, and stability itself also means development.

Relative stability is a necessary condition for the development of all things. The development of productive forces is a long course. Only by step-by-step accumulation can there be a substantial leap forward. For this reason, it is necessary to maintain the relative stability of the production relations, which should be suited to the development of productive forces. Only thus can they play the role of promoting the development of productive forces. If we often make changes on the question of production relations, making people unsure what course to take, the enthusiasm of the producers will certainly be dampened and the productive forces will be damaged. This will inevitably lead to the accumulation of poverty instead of the accumulation of the productive forces. In this respect, we have had profound lessons and must firmly bear them in mind.

At present, in order to stabilize the economy and boost people's morale, it is necessary to stabilize our policies, which are concrete expressions of interest relations. The policies that have proven to be effective in practice are good policies for harmonizing the interest relations in various fields. They are good for mobilizing the enthusiasm of various quarters, and must be stabilized and further perfected through new practice. The current economic improvement and rectification is a course of readjustment, which naturally includes certain policy readjustments. However, this readjustment is aimed at resolving existing problems and correcting the mistakes in the past economic life, harmonizing various relationships, and more effectively mobilizing the enthusiasm of the masses. At the same time, when carrying out necessary policy readjustments, it is necessary to explain the matter to the masses beforehand and adopt certain interim measures, so that there may not be serious fluctuations. In the course of economic improvement and rectification, if we do not conscientiously study, understand, and implement the policies and principles of the central authorities and the relevant regulations of the provincial party committee and government, and make wanton changes of the originally effective policies, measures, and methods, we will certainly lose popular trust and create confusion in the people's thinking. This is not only harmful to overcoming our current difficulties but will also bring about greater difficulties.

Since reform and opening up began, the enthusiasm of the broad masses of people has been brought into full play. In as little as several years, production has been developed, the people's livelihood has been improved, and the face of our society has been changed. This is a result of the policy of reform and opening up, which is in keeping with the aspirations and interests of the people. Only by stabilizing the effective policies to win the confidence of the people can we protect the enthusiasm of the masses and protect and further develop the productive forces that have been accumulated through hard struggles in the past 10 years of reform and opening up.

Only when there is stability can we seek development, and only when there is development can we achieve greater stability. This is a conclusion drawn by history. Let us firmly bear in mind our past experiences and lessons, for which we have paid high prices, treasure and consolidate the situation of stability, and seek further development under the situation of stability.

Commentary Urges Improving Nationality Relations

HK0301081190 Beijing RENMIN RIBAO
OVERSEAS EDITION in Chinese 28 Dec 89 p 2

[“Special Commentary” by Chen Legi (7115 2867 7871): “Nationality Relations in Our Country Are Increasingly Consolidating and Developing”]

[Text] China is a country with 56 nationalities. However, in old China various nationalities were unequal, and minority nationalities were discriminated against and

oppressed. Relations among various nationalities were very tense. Although in the struggle of opposing foreign aggressors and defending the unity of the motherland, people of various nationalities stood together through thick and thin, and united as one to fight against the enemy, they failed to trust each other. They suspected each other, and had profound feelings of estrangement amongst them.

After the founding of New China, the system of national oppression has been abolished, and it has been announced that all nationalities in China are equal whether they are big or small. To improve nationality relations and protect the equal rights of various nationalities, the CPC and the Chinese government have formulated a series of policies, laws and decrees, and measures. For instance, the “Common Program of the Political Consultative Conference of the PRC” explicitly stipulates: “All nationalities inside the PRC are equal...and any move of discriminating against, oppressing and splitting nationality solidarity is not allowed.” In 1951, the Administration Council of the Central People’s Government issued instructions to ban or change all names, place names, inscribed boards, and so on which discriminated against, or insulted minority nationalities. In 1952, “Program for Autonomy in Regions Inhabited by Minority Nationalities of the PRC” was promulgated to begin extensive autonomy in regions where minority nationalities live in compact communities (by the end of 1958, autonomy had been carried out among 90 percent of the population in regions where minority nationalities lived in compact communities). In the same year, “Decision on Protecting Equal Rights of All People with Minority Nationality Origin Who Are Living Scattered” was also promulgated. The equal rights of minority nationalities were solemnly affirmed in the first constitution of the PRC. According to the constitution and relevant laws and decrees, various minority nationalities enjoy equal rights in participating in state affairs, and management of local affairs at all levels. They enjoy the freedom of using and developing their own languages, of maintaining or reforming their customs and habits, and the freedom of religious belief. When they are discriminated against, or insulted, they have the freedom to lodge complaints with the people’s government. These stipulations have ensured that various minority nationalities, who had no rights nor status in the past, can now appear in the political arena of the state on an equal basis, and become masters of the country.

To promote mutual understanding among various nationalities, and overcome feelings of estrangement, shortly after the founding of New China, the CPC and the Chinese Government sent a large number of working teams, trade teams, medical teams, and inspection teams to regions inhabited by minority nationalities to carry out education and propaganda in nationality policy, nationality equality, nationality solidarity and patriotism, to help them restore and develop production, and assist those nationalities which had no written languages.

or complete written languages to create or reform them. In the meantime, they carried out two large-scale educations in nationality policy in conjunction with the work of investigating the implementation of the nationality policy in an attempt to win over, unite with, and educate upper-class religious personages. Through all this work, we overcame feelings of estrangement, improved nationality relations, and promoted nationality solidarity. After that, through democratic reform and socialist transformation, we abolished the exploiting system among various nationalities, and established socialist nationality relations based on equality, unity, and mutual help.

However, what is distressing is that starting from 1957, due to "leftist" guiding thinking, our nationality policy was not effectively implemented, and our good nationality relations established in the 1950's were severely undermined. In particular, during the 10 years of turmoil, our nationality policy was sabotaged, and many cadres of minority nationality origin were wronged, or persecuted. All this again fermented feelings of estrangement among various nationalities, and between the Han and minority nationalities in particular.

After smashing the "gang of four," we reiterated the party's nationality policy, and restored our nationality work. In particular, since the 3D Plenary Session of the 11th CPC Central Committee, to restore and develop socialist nationality relations characterized by equality, unity and mutual help, and promote common prosperity, the CPC and the Chinese government have again formulated a series of policies and measures in light of practical conditions in various regions inhabited by minority nationalities, which are beneficial to nationality equality, solidarity, autonomy and the development of economic and cultural construction in various regions inhabited by minority nationalities. We have done a lot of work, mainly including:

1. Bringing order out of chaos, and giving up the erroneous theory which greatly harmed our nationality work: "In the final analysis, national struggle is a matter of class struggle." The CPC and the Chinese government have explicitly pointed out: "Today, when various nationalities in China have carried out their socialist transformation, relations between various nationalities are basically relations between the laboring people." Such scientific inference has theoretically made a clean break with the "leftist" ideology, and has played a correct guiding role in practice in solving problems left over from history, redressing false charges, wrong sentences and frame-ups, and correctly handling nationality contradictions in different periods.

2. Promoting nationality autonomy, and further perfecting the autonomous system in regions inhabited by minority nationalities. From 1979 to 1988, we had an additional 2 autonomous prefectures and 55 autonomous counties, and restored or established more than 1,500 townships of minority nationalities. Up to now, we have 5 autonomous regions, 30 autonomous prefectures,

and 122 autonomous counties (flags) throughout the country. Of the 55 minority nationalities in our country, 45 of them have pursued nationality autonomy. The regions of nationality autonomy have accounted for more than 60 percent of the total area of the whole country. In 1984, we promulgated the "PRC Law on Autonomy in Regions Inhabited by Minority Nationalities." After that, some autonomous regions also formulated relevant rules and regulations on autonomy to further protect the rights of autonomy in regions inhabited by minority nationalities. All this has shown that autonomous system in regions inhabited by minority nationalities has entered a new stage of development.

3. Vigorously training cadres of minority nationality origin. By the end of 1988, the number of cadres of minority nationality origin throughout the country reached more than 1.8 million, an increase of 120 percent over 1978. The number of middle-ranking technical personnel increased by 420 percent.

4. Vigorously helping and assisting regions inhabited by minority nationalities to develop their own economic and cultural undertakings. Owing to effective help of the state, and self-reliance and hard struggle of the people from various minority nationalities, from 1981 to 1988 the average annual increase rate of gross industrial and agricultural output value of regions inhabited by minority nationalities was 10 percent. In 1988, gross industrial and agricultural output value of regions inhabited by minority nationalities reached 109.233 billion yuan (in constant prices of 1980), an increase of 133.3 percent over 1978. Gross agricultural output value increased by 76.6 percent, whereas gross industrial output value increased by 187.5 percent (allowing for changes in regions inhabited by minority nationalities). With economic development, living standard of the masses of minority nationalities has also been gradually improved. From 1979 to 1988, the actual incomes of urban and rural residents in regions inhabited by minority nationalities increased from 5 to 8 percent annually. Annual incomes of peasants and herdsmen increased by about 10 percent.

Cultural and educational undertakings have also developed considerably. In 1988, the number of students of minority nationality origin in schools and universities was: University students 125,422; secondary school students 2.816409 million; and primary school students 9.8355 million, an increase of 248.1 percent, 14.4 percent, and 27.95 percent respectively over 1978. In 1987, the number of postgraduate students of minority nationality origin was 2,269, 20 times the level of 1978. In 1988, 3,294 kinds of books in 38.16 million copies in languages of minority nationalities were published throughout the country, an increase of 137.7 percent and 20 percent respectively over 1978. Some 154 kinds of magazines in 13.53 copies in languages of minority nationalities were published, an increase of 340 percent and 331.4 percent respectively over 1978. In addition, 134.11 million copies of newspapers were published, an increase of 89.6 percent over 1978. Through holding

regular national sport meets of minority nationalities, national theatrical festivals of minority nationalities, and the activities of awarding excellent literature and art works of minority nationalities, and excavating and sorting out cultural relics of minority nationalities, we have brought about a prosperous literature and art creation of minority nationalities, and promoted the development of sport and public health undertakings in regions inhabited by minority nationalities.

5. Carrying out a nationwide re-education in policy for minority nationalities. We have also propagated the viewpoint that the "Han nationality is inseparable from minority nationalities, and vice versa" to increase the consciousness of the entire party and people of various nationalities throughout the country in understanding the issue of nationalities, and the policy of minority nationalities to defend nationality solidarity.

During the past 10 years, thanks to concerted efforts exerted by people of various nationalities, socialist nationality relations characterized by equality, unity and mutual assistance have been restored, consolidated, and developed. The idea that various nationalities are inseparable from each other has increasingly stricken root in the hearts of our people. The interests of various nationalities are intermingled. The rallying power of the Chinese nation has been increased to an unprecedented level. However, due to the fact that the problem nationality, and the differences between various nationalities have existed for a long time, some contradictions and problems related with nationality relations have not been solved. For example, some enterprises run by the relevant departments of the central, or provincial authorities in regions inhabited by minority nationalities have failed to handle their relations with the regions in which they are located in terms of economic rights and interests. Some regions of minority nationalities with each other resources such as land, grasslands, forest, mines, rivers, lakes, and so on. Customs, habits, and religious belief of minority nationalities are not fully respected. While depicting the history, customs, habits, and religious belief of minority nationalities, some literature and art works distorted them. This harmed the feelings of minority nationalities. A small number of splittist elements preach and spread views which split the motherland, and undermine nationality solidarity. Some of them have even organized sabotaging activities, and instigated the masses to make trouble, and so on. China will rely on its correct policy for minority nationalities to solve these contradictions and problems. Making use of its experience in nationality work over the past 40 years, it is certainly able to solve these contradictions and problems one by one.

Commentary Discusses Urban Resident Committees

HK0501050990 Beijing RENMIN RIBAO in Chinese
28 Dec 89 p 3

[Commentator's article: "Properly Build City Resident Committees"]

[Text] In order to meet the need of the current situation of urban development, the 11th meeting of the Standing Committee of the Seventh National People's Congress has passed and announced the "Law on Organizing Urban Resident Committees in the People's Republic of China." The announcement and implementation of this law signifies that the building of our country's urban resident committees has entered a new stage of historical development.

The cities are our country's economic, political, scientific, technological, cultural and educational centers; they play a leading role in socialist modernization construction. The urban resident committees are cells of the body of our country's political power; they are the grass-roots autonomous mass organizations in the cities, and are bridges and ties which link the party and the government to the great masses of the people. Properly developing urban resident committees is of great significance to uniting, mobilizing and leading the great masses of the people; to consolidating and developing the stable and unified political situation; to accomplishing the duty of rectification and improvement, and of deepening the reform; to enhancing the construction of socialist material and spiritual civilizations in the cities; and to the development of our country into a rich, strong, democratic, civilized and modernized socialist country as soon as possible.

Our country is a socialist country where the people are the masters. To fully exercise the right of the people as the masters in political power at the grass-roots level, and in the social life at the grass-roots level is an important aspect of building a high level of socialist democracy; it is also an important guarantee for our country's prosperity and long-term stability. Practice proves that implementation of autonomy for residents is beneficial to arousing the eagerness of the great masses of the people; to training the residents' democratic consciousness and democratic habits; to bringing about a close relationship between the government and the masses; to the development and stability at the grass-roots level; and to the progress of building socialist democracy. From now on, we must earnestly follow the regulations of the "Law on Organizing Urban Resident Committees;" make continuous efforts in institutionalizing the work in building urban resident committees; and build them into the autonomous mass organizations at the grass-roots level whereby residents carry out self-management, self-education, and self-service.

It must be made clear that the urban resident committees are to practice autonomy under the CPC leadership; they must practice autonomy on the premise of upholding the four cardinal principles, as well as within the domain prescribed by the country's law and policy. Therefore, urban resident committees must accept the leadership of the party organs at the grass-roots level, as well as accept the guidance of the people's governments at the grass-roots level and of their agencies; they must consciously help the grass-roots governments and their agencies to accomplish various tasks and duties.

Strengthening leadership over the building of and work in urban resident committees is a critical point in doing well the work in urban resident committees. Party committees and people's governments at various levels, and in particular city people's governments, city administered district people's governments and their agencies—street offices—must attach importance to building urban resident committees, and put the development of urban resident committees as an important item on the agenda, as well as grasp it as an important task to be done in the cities. We must strengthen the building of the leadership group for urban resident committees, look into various walks of life for recruiting cadres for urban resident committees, and keep improving their political and professional quality. At present, our country has some 100,000 urban resident committees, and more than 360,000 urban resident committee cadres. We must raise their sense of pride and sense of responsibility, and care for and support their work. We must adopt effective measures to quickly rectify those urban resident committees which are lax and have no responsible persons to carry out work, so as to change them. To conclude, through practical work, we must vigorously strengthen the work in building urban resident committees, and fully develop the role of urban resident committees in socialist modernization construction.

Commentary Stresses Promoting Lei Feng Spirit
HK0301025190 Beijing ZHONGGUO QINGNIAN BAO
 in Chinese 15 Dec 89 pp 1, 2

[Article by ZHONGGUO QINGNIAN BAO special commentator: "The Torch of Lei Feng Spirit Will Never Go Out"]

[Text] In the early 1960's, a glorious spiritual torch, which shone with dazzling brightness in China, rapidly blazed all over the country. It was Lei Feng spirit which inspired the growth of a whole generation of Chinese youths. Over the past several decades, Lei Feng spirit has consistently been regarded by the Chinese in their hundreds of millions as a banner of value concept and ethical principles; it has constantly evoked social responses in different periods. Today, when China's socialist modernization program wants the vast numbers of young people to arouse great enthusiasm and carry out arduous struggle with one heart and one mind with the party and the people, it is quite necessary to guide young people across the country to understand, study, and promote Lei Feng spirit again.

Lei Feng Spirit Is Advanced National Spirit of the Socialist Era

For over 20 years, Lei Feng spirit has been handed down from generation to generation. The reason for this lies in the fact that Lei Feng spirit has struck deep root in the national struggle at that time, the need of the times, and the people's aspirations. Precisely because Lei Feng's spirit of hard struggle has concentratedly embodied the spiritual conditions of China's heroic struggle in the

early 1960's, Lei Feng's words and deeds aroused strong sympathy among the masses; because Lei Feng's ideological consciousness of sharing the burden of the party and the people was in keeping with the needs to tide over the difficulties of our state and cause at that time, Lei Feng's deeds won the unanimous acclaim of the whole country; and because Lei Feng's noble qualities of selfless devotion to the people and society enjoyed immense popular support, the name Lei Feng spread like wildfire and struck deep root. Anything which gives expression to national spirit, reflects the needs of the times, and is in keeping with the people's aspirations is sure to shed its rays in historical developments. That is why Lei Feng spirit has such vitality among the people.

Lei Feng spirit came into being in the course of communist education conducted by the party. Lei Feng said: It is the party that has given me life, happiness, and proletarian ideas; pointed out the direction for me to advance; opened the road for me to forge ahead; given me the strength to advance; and given me everything. For the sake of the emancipation cause of mankind—communism, I shall dedicate all my energy and my whole life. This has imbued Lei Feng spirit with the feature of communist spirit, placing it in the category of advanced ideas in line with the direction of social development.

Lei Feng spirit also came into being in midst of the Chinese nation's great struggle in the new socialist era. Turning over Lei Feng's stories, we can see that it was the society's atmosphere of building up the country through thrift and hard work that inspired Lei Feng to receive only half the supply of uniforms every year and handed over the rest to the state; it was the people's struggle against natural disasters in Liaoyang City that inspired him to send to people in the disaster-stricken areas the 100 yuan which he had saved by leading a frugal life; and it was the socialist labor emulation drive organized by the Communist Youth League [CYL] that enabled him to be elected an advanced worker three times, a pacesetter 18 times, and a red-banner peacesetter five times in the span of 1 year and 2 months and won the title of young activist in socialist construction. Therefore, Lei Feng spirit has the feature of the spirit of the socialist era and comes under the category of the ideas of the times needed in the development of socialist undertakings.

Lei Feng spirit also came into being in the midst of people's expectations and encouragement. From Lei Feng's diary we can see that his outstanding work achievements and noble ideas and qualities were often encouraged by the society and praised by the masses. It is from this encouragement and praise that Lei Feng raised his ideas to a higher level, absorbed strength, made more outstanding achievements, and displayed nobler qualities. This shows that Lei Feng spirit belongs to the universally-acknowledged people's ideology and has the feature of national spirit.

Therefore, Lei Feng spirit is the combination of the traditional virtues of the Chinese nation and the glorious

ideas of communism; it is an advanced national spirit that has come into being when the Chinese nation enters a new socialist era.

After being promoted, Lei Feng spirit played a tremendous historical role in developing China's socialist cause.

First, Lei Feng spirit has enhanced the people's centripetal force toward the communist party and played a unifying role in the socialist cause. In the early 1960's, when subjected to enormous internal and external pressures politically and economically, China desperately wanted all the people united as one with the party and the government, to endure the temporary difficulties, to sacrifice some immediate, personal interests for the sake of the overall situation, and to jointly tide over the difficulties in socialist construction. Lei Feng spirit precisely led the masses, especially the vast numbers of young people, to have faith in, support, and listen to the party so that, given the difficult and straitened circumstances at that time, we could stabilize the whole society and the people's minds, with people not being confused or disconcerted.

Second, as a spiritual pillar in people's struggle against difficulties, Lei Feng spirit played a role in inspiring the masses of the people for hard struggle. To overcome the difficulties at that time, in addition to correct state policies, we could not do without the hard struggle, labor, and creations of the entire population, including young people. Lei Feng spirit precisely guided people to live thrifitily, work industriously and selflessly for the public interest, and engage in selfless, creative labor in all arduous work posts. We used the powerful spiritual force to arouse people's enthusiasm for socialist labor so that the difficult situation could be reversed fairly quickly.

Moreover, as an advanced moral example, Lei Feng spirit also played a positive role in advancing the building of socialist spiritual civilization. Socialist modern civilization consists of both material and spiritual aspects. People's expectations of socialism include not only increased income but also good social conduct and harmonious relations among people. In promoting Lei Feng spirit we precisely guided people to put into effect good social conduct, such as working selflessly and finding it a pleasure to help others, so that the moral standards of the whole society at that time reached the universally acclaimed best period in history.

Several decades have passed. Many things at that time lasted briefly, turning into shifting sand in the long process of history. Only those which cannot be erased from people's minds can turn into true gold and be handed down for a long time. Now, more and more people are calling for the return of Lei Feng spirit. This shows that it is indeed the precious wealth of the Chinese nation.

In the Course of Reform and Opening Up it Is Necessary To Advocate and Promote Lei Feng Spirit

In the early 1960's, the activities of learning from Lei Feng in the whole society exerted a profound effect among the vast numbers of young people, brought forth a large number of advanced model figures of the Lei Feng type, and played an important role in arousing people's enthusiasm and creating good social conduct. During the 10 years of turmoil, Lei Feng was regarded as a model who "only knew how to pull a cart with a bowed head but did not care to raise his head to see the way." As a result, children said: Uncle Lei Feng does not exist any more. After the 3d Plenary Session of the 11th CPC Central Committee, with all things set to rights, the activity to learn from Lei Feng has again become an important aspect of the mass activities to build spiritual civilization. In recent years, with the constant deepening of reform and opening up, great changes have taken place in people's ideological concepts. While we are learning advanced managerial experience and importing advanced science and technology from abroad, decadent capitalist ideas of every description have also taken advantage of the opportunity to sneak in. Over the past few years, ideological and political work in the society as a whole has been affected and the building of socialist spiritual civilization has also been neglected or diluted. For this reason, some people have doubts about Lei Feng spirit, saying: "Now that we are developing the commodity economy, Lei Feng spirit is outdated." After returning from abroad, some people remarked: "Lei Feng's concepts are outworn" and "learning from Lei Feng is a bitter reality." This poses a new challenge to Lei Feng spirit.

In reform and opening up, is it still necessary to advocate and promote Lei Feng spirit and guide young people to take the road of Lei Feng's growth? This is a major issue involving the question of building what kind of social conduct and cultivating the successors of which social system. Our answer is in the affirmative. Promoting Lei Feng spirit is the inherent demand of reform and opening up and, in the entire course of reform and opening up, it is necessary to promote Lei Feng spirit.

Promoting Lei Feng spirit is first of all necessary for guiding people to adhere to a correct political orientation and uphold the four cardinal principles in the course of reform and opening up. The key content of Lei Feng spirit is his incomparable love for socialism and firm conviction in the communist party. The history of the Chinese revolution proves that only the CPC can lead the Chinese nation to put an end to enslavement by imperialism and enable China to take road of independence with the initiative in its own hands, that only the CPC can lead the people to eliminate the system of exploitation and oppression and turn China into a democratic and equal society, and that only the CPC can lead China to carry out reform and opening up and turn the great ideal of socialist modernization into a reality. On such a fundamental issue, if the vast numbers of young people and the broad masses can steadfastly follow the

party as Lei Feng did and firmly believe that our socialist cause will win, it will be easy to reach a consensus, unify people's ideas, and stabilize the society. To a big developing country with 1.1 billion people is concerned, what a necessary but difficult task it is!

Promoting Lei Feng spirit is also necessary for guiding people to resist the corrosion of decadent bourgeois ideas in the course of reform and opening up. It should be noted that with the development of the commodity economy there will inevitably be some negative factors. Various ideas, such as placing the individual above everything else, regarding money as omnipotent, and benefiting oneself at the expense of others, will often affect people's minds. These negative factors are not the necessary requirements in the development of the socialist commodity economy, but attention should be paid to resisting and overcoming them in the course of developing it. Lei Feng's good virtues of being the first to bear hardships and the last to enjoy comforts, of selfless devotion, and of serving the society and the people are precisely antagonistic to the decadent value concept of capitalism. By upholding justice we can condemn evil. Advocating and promoting Lei Feng spirit is a method of using the healthy trends of socialist ideas and ethics to resist the corrosion of decadent capitalist ideas among the masses.

Promoting Lei Feng spirit is also necessary for encouraging people to fight against contradictions and difficulties in the course of reform and opening up. Instead of conducting it in an ideal environment, China's reform has been started on the basis of a large population and a poor foundation. The reform course is a zigzag process of constantly solving contradictions and difficulties and one of protracted hard struggle. In the process of fighting against difficulties and contradictions, it is insufficient to rely merely on material interest to arouse people's enthusiasm and creativity. It is also necessary to have the consciousness of being masters of the country and consciously striving for social interest and national progress. And this consciousness is a component part of Lei Feng spirit. Especially in the current process of improving the economic environment, rectifying the economic order, and deepening the reform, when the state is confronted with difficulties, it imperatively needs the vast numbers of young people to share its burden, solve its difficulties, and understand and support its efforts to readjust the slanting interest relationships. Lei Feng set demands on himself as follows: "The people's difficulties are my difficulties and helping the people to overcome them and contribute my bit is my duty. As well as being a master, I am a member of the broad toiling masses. To be able to help the people overcome some difficulties is my greatest happiness." Today, when the state and the people are confronted with difficulties, it touches our hearts to recollect this remark of Lei Feng's.

Promoting Lei Feng spirit is also necessary for establishing a harmonious person-to-person relationship and building socialist spiritual civilization in the course of reform and opening up. The broad masses of the people

not only hope that the reform can stimulate the growth of social productive forces and the socialist commodity economy, but also establish a new person-to-person relationship marked by equality, unity, friendly affection, and mutual help, and develop good moral conduct in the whole society. Just imagine, if our society shapes a relationship of "all people for me and the God for all people" and develops a situation characterized by each trying to cheat or outwit the other and by embezzlement and corruption, not only will it be impossible for social productive forces and the socialist commodity economy to develop in a healthy way but what has taken shape will also be corroded and destroyed. Promoting Lei Feng spirit, which consists in the spirit of being the masters of the country, the spirit of unity and cooperation, and the spirit of devotion to society, is the objective demand to develop the socialist commodity economy because the demands set on people's ideological and political quality by the developed social productive forces basically coincides with Lei Feng spirit.

Therefore, promoting and advocating Lei Feng spirit is the inherent demand of ensuring the smooth progress of reform and opening up. It neither lags behind the trends of the times nor transcends historical stages. The "Resolution of the CPC Central Committee on the Guiding Principles for Building Socialist Spiritual Civilization" pointed out: "The development of the socialist commodity economy and the perfection of socialist democratic politics have wrought profound changes in people's ideology and spiritual conditions and, at the same time, set higher demands on the building of spiritual civilization. Whether or not we can adapt ourselves to this demand, develop a public opinion, value concept, cultural conditions, and social environment which are favorable to the socialist modernization drive and all-round reform, effectively resist the decadent ideas of capitalism and feudalism, prevent the dangers of going astray, arouse the enormous enthusiasm and creative spirit of the people of China's all nationalities, and use the efforts of several generations to build a powerful modern socialist state is a major historical test." Lei Feng spirit is precisely a powerful spiritual force unifying the masses of the people along the socialist road in this major historical test.

The CYL Should Serve as a Model in Learning From Lei Feng

Lei Feng is the banner of Chinese youths in the socialist era and Lei Feng spirit is the representative of the advanced idea of the new generation of Chinese youths. The CYL, which is composed of advanced Chinese youths, should naturally serve as a model in learning from Lei Feng.

Under the correct leadership of the Central Military Commission, the PLA units are in the front rank of the society in learning from Lei Feng. In a recent circular, the CYL Central Committee calls for the continued launching of activities to learn from Lei Feng under the

new situation so that Lei Feng spirit can constantly develop among the new generation of young people.

When learning from Lei Feng in the new situation, we should focus on studying his firm conviction in the party and socialism and unwaveringly follow the party in taking the socialist road. The fundamental reason for Lei Feng's ability to turn from an ordinary soldier to a great communist fighter lies in the fact that he had a firm ideal and conviction. He compared the party to his mother and regarded socialism as his lifeblood. He often said: I want to dedicate my youth to the most magnificent cause of mankind—communism. This is the spiritual pillar supporting Lei Feng's growth. Historical experience tells us that young people should not be without a spiritual pillar, ideal, or conviction. Otherwise, they will have no judgments of their own. In learning from Lei Feng, we should learn from his firm conviction in the communist party and the socialist cause and set up our own spiritual pillar in terms of political stand. Only in this way can we adhere to the four cardinal principles in the complicated political storms and maintain a correct political orientation.

When learning from Lei Feng in the new situation, we should focus on learning from his lofty realm of thought characterized by his readiness to think what the people were thinking about, to meet their needs, and struggle hard for the motherland, and arouse the great enthusiasm of uniting as one with the party and the people and waging hard struggle to jointly tide over the difficulties. There are difficulties in our country's economic life. To overcome these difficulties, we should depend not only on the correct policy decisions of the party and the government but also on the understanding and support of the masses in their hundreds of millions and on the people's struggle and creation. When learning from Lei Feng, we should also, as Lei Feng did, consciously share the burden and solve the difficulties of the party and the state and sacrifice some immediate interest in the long-term interest of the people; sacrifice some partial interest in the overall interest of society; and sacrifice some personal interest in the interests of the state and the collective and build the country through thrift and hard work. Provided that the whole people are of one heart and one mind and struggle together, there will be no difficulties that cannot be overcome.

When learning from Lei Feng in the new situation, we should focus on learning his communist style of selflessly and wholeheartedly serving the people and advocate the new socialist style of selfless dedication and of finding it a pleasure to help others. If the members of the society as a whole take more than they give, the society will retrogress; only when they give more than they take can the society make progress. Therefore, men should have some spirit of dedication in a developing society. If, in carrying out any work, people pay attention only to remuneration and themselves without thinking of their duties and of others, forgetting all moral principles at the sight of profits and harming others to benefit themselves, the person-to-person relationship in society is sure to be

in an antagonistic and tense situation and it will be impossible for the socialist material and spiritual civilization to develop smoothly. Therefore, Lei Feng style should not be discarded in the new situation of conducting reform and opening up and in the development of the socialist commodity economy.

When learning from Lei Feng in the new situation, we should focus on learning his spirit of serving as a screw, loving whatever job we are given and try to be proficient in whatever we do. We should establish the work attitude of doing our own jobs well, scoring first-rate achievements, and fulfilling our duty to the state and the collective. Lei Feng spirit of serving as a screw means consciously bringing personal future into line with the cause of the party and the people and do our own jobs in a down-to-earth way. The youths today should also be like that. Personal pursuit can only be realized with the development of the state's and people's cause. In whatever posts we are, we should work diligently and conscientiously, fulfill our duty, and give play to our wisdom and creativity. This is the most promising path.

In organizing the learn-from-Lei Feng activities, the CYL should combine the study of Lei Feng's deeds with the launching of various activities to practice Lei Feng spirit; energetically commend advanced models among the contemporary youths who have Lei Feng spirit; vigorously encourage young people to learn from Lei Feng in their work posts and make contributions to economic rectification and in-depth reform; and avoid formalism, deviation from the masses, and other extreme practices.

The glorious and arduous task which history has given us is to turn China into a democratic, prosperous, civilized, and modern socialist state. To accomplish this great task, it is necessary to persist in using advanced ideas to influence, inspire, and educate people. Lei Feng's noble spirit and qualities are the spiritual wealth which influence, inspire, and educate people to accomplish the aforesaid historical mission. Therefore, so long as this mission has not been accomplished, the torch of Lei Feng spirit should not and will never go out.

Science & Technology

State Council Greets Antarctic Expedition

OW0501110390 Beijing XINHUA Domestic Service
in Chinese 1226 GMT 30 Dec 89

[Text] Beijing, 30 Dec (XINHUA)—With New Year's Day of 1990 approaching, on 30 December the State Council sent a cable to the Sixth Chinese South Pole Expedition, which is working hard on the Antarctic Continent, as well as to all the comrades of the Zhongshan Station and the Changcheng [Great Wall] Station to express sympathy and solicitude. The text of the cable reads as follows:

To all comrades of the Sixth Chinese South Pole Expedition, Zhongshan Station, and Changcheng Station:

Stationed far away from the motherland with heavy responsibilities on your shoulders, you are making vigorous efforts to demonstrate the spirit of patriotism and revolutionary heroism in extremely an inclement environment. By uniting yourselves as one and by working hard, you have scored marked achievements in scientific research, transportation, and the building of stations there and thereby have won honor for the socialist motherland. At the juncture when we are entering a new year, we hereby extend our sincere season's greetings and warm regards to all the members of the expedition team and all the ship's crew working far away in the Antarctic!

All the Chinese people seek unity of thinking and action to further carry on the campaign of improving the economic environment, rectifying economic order, and deepening reform in accordance with the guidelines of the 5th Plenary Session of the 13th CPC Central Committee in the year 1990. They will consolidate their achievements and overcome difficulties to gain a great victory in socialist construction. Your spirit of pioneering an undertaking through arduous efforts is worth emulation by all the people in our country. We hope you will make persistent efforts, work as one, and make even greater contributions to a satisfactory accomplishment of the sixth mission to the South Pole, as well as the peaceful use of the South Pole by mankind!

Wishing you happy New Year and sound health!

The State Council
30 December 1989

Military

Li Tieying Visits Shijiazhuang Army Academy

OW0401142790 Beijing Television Service in Mandarin
1100 GMT 2 Jan 89

[Text] [Video begins with brief medium closeup shots of Li Tieying, in overcoat with fur flap around neck, stepping out of a train and being greeted by senior officers. There are successive shots of him clapping hands with cadets, acting as conductor for a cadet choir, speaking in front of a microphone after a review, and having lunch with cadets and trainees in the mess hall to the accompaniment of a female announcer's voice reading a report of the entire item] Li Tieying, member of the Political Bureau of the CPC Central Committee; state councillor, and minister of the State Education Commission, Liu Zhenhua; political commissar of the Beijing Military Region; and others, made a special trip to spend the first day of the 90s with Beijing University students undergoing military training and cadets of the People's Liberation Army [PLA] at the Shijiazhuang Army Academy.

As soon as they got off the train on the evening of 31 December, Li Tieying, Liu Zhenhua, and other comrades went straight to the Shijiazhuang Army Academy to visit the cadets there, and spend the last evening of 1989 with them. Li Tieying, Liu Zhenhua, and other comrades inquired in detail about the conditions of life and the studies of the cadets. Addressing a military review, Li Tieying told the cadets: You are the younger generation who will live and work into the next century. You will serve as a link between the past and the future, will carry forward the cause and forge ahead into the future. The heavy, historic responsibility of making the Chinese nation rank among the developed countries of the world will fall on your shoulders.

Li Tieying, Liu Zhenhua, and other leading comrades also had lunch with the cadets.

The above news item is reported by a reporter of the Hebei Television Broadcasting Station.

PLA Lists 2,000 Military Science Researchers

OW1312065189 Beijing Domestic Service in Mandarin
2230 GMT 11 Dec 89

[Text] Rapid progress in military science research has been made in recent years in China, with increases in researchers, research projects, and academic achievements. A modern military science research network with Chinese and People's Liberation Army [PLA] characteristics has been set up for the first time.

In the early years after liberation, PLA units at the division or higher level successively set up some military science research organizations to write and compile teaching materials and PLA battle history. In 1958, the PLA Academy of Military Sciences was formally set up to direct the PLA's military science research.

At present, the PLA has nearly 2,000 full-time researchers. They uphold and develop Mao Zedong's military thought, sum up the experience of our country and the PLA, and learn from useful experience of foreign armed forces. In the course of practical investigation and study, they have achieved a large number of valuable research results with respect to military thought, military sciences, building of armed forces, military history, military geography, and military technology.

According to relevant information, in the last 10 years, the PLA has written and translated some 5,000 military writings and research reports, and written some 60,000 academic theses. The Academy of Military Sciences alone has completed some 1,200 research projects. Many of the research results have won national science and technology awards and filled some blanks in military theories. They have also provided a strategic basis for the Central Military Commission and the PLA general departments to make policy decisions.

Comrade Deng Xiaoping wrote the following inscription for the Academy of Military Sciences: Carry on Mao

Zedong's military thought, study the people's war under modern conditions, and develop China's military sciences.

Economic & Agricultural

Minister Predicts Lively 1990 Domestic Market

HK0501052890 Beijing CHINA DAILY in English
3 Jan 90 p 1

[By staff reporter Ma Zhiping]

[Text] China's top commercial official predicts a lively domestic market this year in the wake of a sales slump during 1989.

Hu Ping, Minister of Commerce, told CHINA DAILY in an exclusive interview that he expects a favourable turn in the country's overall economic situation as demand and supply have become more stabilized.

Hu also said China's commercial departments hope for more co-operation and contact with their international counterparts to further enliven the domestic market.

The minister, who anticipates bigger sales volume increases in the second half of the year, said that business of commercial departments will be easier in the new year.

He said the market during the holidays will be stable as there will be abundant supplies and stable prices.

"But overall trade won't be as brisk as usual," he added.

Due to the 1988 buying sprees, commercial businesses around the country have become slack since last June and this has led to an unprecedented fall of sales volume from August to November, with a record fall of 0.9 percent in the total sales volume of social commodities in November compared with the same period in 1988.

Hu said the market has been slumping for the past six months compared with the abnormal market in 1988.

According to the rules of the market, Hu predicted that the 1990 market will be basically stable and business volume is expected to grow more quickly in the second half than the first half of the year.

"The slump was also one of the positive results of the State's austerity programme introduced in 1988, which has led to falls in both the overall industrial output and the total sales of social commodities compared with the same period in 1988, thus leading the country's economy toward a healthier direction," the minister said.

Hu was optimistic about the 1990 market, saying that there will be no major fluctuations as the country's overall environment is stable and economic control measures such as the austerity programme will continue.

The State's policies in developing agriculture will guarantee more effective supplies of grain and cotton.

Hu's optimistic expectations for a stable market were also based on an improved distribution of commodities seen in the country since last year as a result of the tighter control of the wholesale channels. This would guarantee an adequate supply of goods to the market and prevent illegal commercial activities and profiteering, Hu said.

"The State's improvement in macrocontrol and a better understanding of the market and the introduction of more reasonable measures will also help keep this year's market stable," Hu said.

However, difficulties also exist for the market and commercial departments because supplies of many goods will be on the tight side. These include such goods as grain and cotton, according to the minister.

Potential purchasing capacity—represented by accumulating personal bank deposits—is estimated to reach 700 billion yuan by the end of 1989 and poses a latent threat to the market, which still face the problem of commodity shortages.

'Abundant' Goods Available for Spring Festival

OW3112074189 Beijing XINHUA in English
0711 GMT 31 Dec 89

[Text] Beijing, December 31 (XINHUA)—Markets throughout the country are showing brisk business that will continue into the New Year and Spring Festival holidays with a rich supply of all commodities, according to sources from the Ministry of Commerce.

Abundant supplies of cigarettes, drinks, fruit, aquatic products, non-staple foods and manufactured goods for daily use are prepared long before the New Year's eve while vegetable supplies are 22 percent more than the same period of last year.

Beijing and Shanghai are supplying local residents with 40 to 50 kinds of fresh vegetables and many kinds of fruits, some of which are trucked in from other parts of the country. And fruit prices in Beijing, Shanghai, Tianjin, the leading cities in China, are 40 percent lower than in the same time of last year.

Northeast China's Liaoning Province has arranged 45,000 kinds of goods for the market, a 8.5 percent increase over the same time of last year and their prices are 10 percent lower.

Pork, the main meat for the majority of the Chinese population, is in adequate supply which is reinforced by more beef and mutton.

During the holidays, people all over the country will have a wide range of clothes, shoes, bicycles and toys to choose from.

Commercial departments in many provinces have shipped festival goods to disaster areas before New Year's day.

Economist on Effective Macroeconomic Control
HK0501051390 Beijing RENMIN RIBAO in Chinese
31 Dec 89 p 2

[Article by staff reporter Ji Honggeng (6060 3126 6342): "How To Exercise Effective Macroeconomic Control—An Interview With Economist Yang Peixin"]

[Text]"Some people said that at present, stagnation has appeared in our economy. How do you view this?" When interviewing Yang Peixin, an economist and researcher of the State Council's Development Research Center, this reporter raised this question. Our conversation proceeded as follows:

Yang Peixin said: "I do not think so. What is stagnation? It refers to a situation in which prices keep soaring but the economy is at a standstill. However, at present in our country, prices have been basically stabilized; inflation has been curbed; the false purchasing power has disappeared; and the gross demand has been gradually reduced. This shows that the work of adjustment and rectification beginning in September 1988 has achieved initial results. For a time, goods did not sell well and markets became slack. This was an unavoidable phenomenon in the course of retrenchment, and could not be considered as stagnation."

At present, people often mention the so-called "triangle debts" or "debt chains" among enterprises. The banks have issued some "starting loans" in order to help large and medium-sized enterprise solve their financial difficulties. However, the loans were still utterly inadequate, and some enterprises used up the money in a number of hours after they received the loans. The "debt chains" were not eliminated but continued to extend to more enterprises. Why so? Yang Peixin said: The main reason is that the markets for products have not been solved. If products are stockpiled and unsalable, enterprises will not be enlivened. He said that when helping large and medium-sized enterprises solve the problem in their working funds, we should also increase loans for state commercial institutions and the supply and marketing cooperatives and enable them to purchase goods from manufacturers, thus bringing their role in regulating social production into play. When the state commercial institutions have adequate money, they will be able to selectively buy brandname, good quality, special, and new industrial goods and more effectively market these goods. Then, products in short supply and goods produced by the backbone enterprises will not be stockpiled, and the enterprises will be able to repay debts and expand production. Thus, industrial production will not decline any more. If measures are taken to ensure the smooth marketing of the finished products, funds will flow from the processing enterprises to the enterprises producing raw materials. The "debt chains" will be untied step by step, and markets and enterprises will also be enlivened. He said: The banks should meet the monetary needs for purchasing grain, cotton, edible oil,

sugarcane, beets, wool, and other cash crops. The purchase of these agricultural products should be increased, which will not only enrich the market supply, but also provide the raw materials needed by the processing enterprises and increase exports. The use of 1 yuan for purchasing agricultural products can produce 3 yuan of output value through processing. The currency used for purchasing agricultural products will not lead to inflation. Peasants will use the money in their hands to buy more industrial goods. Then, the markets will be really enlivened. This will arouse peasants' production enthusiasm and will also broaden the market for industrial goods. Then, the industrial enterprises will be enlivened, and the entire national economy will be enlivened.

How should we deepen reform in connection with economic adjustment and rectification? Yang Peixin said that it is of great importance to strengthen effective macroeconomic control. He recalled the situation in the early 1950's. At that time, in order to curb the inflation left by the Kuomintang regime, to bring the operation of private industry and commerce, the individual peasants' production, and various economic elements into line with the state economy, and to restore and develop the national economy, the central authorities set up the Financial and Economic Commission. It was designed to give effective guidance to and coordinate the operation of such comprehensive economic management departments as the banking department, the finance department, and the trade department. The whole set of macroeconomic information mechanisms played a great role. At present, a market system which is dominated by the public economy and is composed of multiple economic elements has taken shape in our country. The combination of the socialist planned economy with the market forces cannot merely rely on the macroeconomic arrangements of the 5-year plans and the annual plans. It is more important to establish an economic information reporting system and a flexible regulatory system that are adequately responsive to the changing market conditions. Of course, there is no need to reestablish a central financial commission. The banks can now play a major role. A macroeconomic regulatory mechanism with the central bank as the main body can be established and developed. The Chinese People's Bank should be authorized to build an authoritative macroeconomic information network, while various specialized banks should be able to gather information about the financial conditions in various fields, the domestic and international market conditions, the investment conditions, the foreign trade, foreign exchange, and foreign investment conditions. The information should be submitted to the State Council as reference at any time for the making of policy decisions. This reporter asked: "In the course of adjustment and rectification, how should we effectively prevent the abnormal swelling of investment and the appearance of an irrational production structure and poor results of investment?" After thinking for a while, Yang Peixin said: "We now basically rely on some administrative measures to curb the swelling of investment, and this cannot thoroughly solve the problem. We

must establish a new and effective mechanism and thoroughly solve this problem by economic means." He then mentioned a case in Heilongjiang. The province intended to build a new wristwatch plant and did not accept the relevant department's dissuasion. The Construction Bank later provided the provincial leaders concerned with the information about the national output of wristwatches, the conditions of demand and supply, and the production capacity of the wristwatch plants which will soon be put into operation. This convinced these leaders, who said: "It is indeed too late for us to build another wristwatch plant. So we can no longer start the project." Yang Peixin said: "Information is life and is also an order." The established policies are not sufficient to show what projects should or should not be carried out and what goods should or should not be produced if the policies are not supported by statistics. The Chinese People's Construction Bank has systematically investigated the key industries and the production of the key products and has accumulated experience in issuing loans for capital construction and technological transformation. If the Construction Bank is turned into an institution which is able to make timely adjustment of the proportion of various sectors in the national economy according to the established economic policies, it will be competent enough to perform this function. Establishing a new macroeconomic regulatory mechanism is the key to thoroughly curbing inflation and investment swelling and to ensuring the sustained, stable, and harmonious development of the national economy. This was the main point stressed by Yang Peixin in his talk.

Enterprises Urged To Improve Marketing

HK3012010089 Beijing CHINA DAILY in English
29 Dec 89 p 1

[By staff reporter Qin Xiaoli]

[Text] The State has determined that enterprises should try harder in marketing instead of cutting down their production in face of the nationwide sales stagnancy, a senior official told CHINA DAILY yesterday.

Minister of Materials and Equipment Liu Suinian said, "Effective marketing channels created in the past few years should be continued, and legal business activities should not be criticized as profiteering."

And he urged society to "respect salesmen and factory purchasing agents—the key people engaging in the distribution of commodities."

"One of the key tasks for industries next year is to stir up the lethargic market by stepping up sales efforts," he said. "The economic correction does not mean a return to the past taboos and habits," he said at the ministry's press conference.

He encouraged the one million workers in the material supply business and factories businessmen to go out and do what they should instead of staying at home as some are doing now.

China's industrial materials market will remain inert next year while some products will continue to be in short supply, according to Xie Minggan, spokesman of the Ministry of Materials and Equipment.

He said at a press conference yesterday the market slump is a "normal result" of the current austerity policy and it doesn't indicate excessive production.

"Industry managers should not react by reducing production," he stressed. "Attention should be paid to improving quality and increasing marketing efforts," he said.

The year 1989 has seen drastic market changes, he said, which began with overheated demands and ended in the current freeze.

On the year average, the nation's stock of coal rose by 10.2 percent; steel, 2.8 percent; non-ferrous metals, 5.5 percent; cement, one percent and soda ash 15.5 percent over last year.

Price rises were checked during the year with the whole year's price index estimated at around 20 percent compared with last year's 23 percent.

"Our key word for next year's marketing work is stability," he said.

"We must keep the price of materials in firm control for the sake of a stable retail market," he said.

Xie said coal supply will be sufficient next year with a few highgrade products still in short supply. Steel products will meet the demand in general but there will still be a shortage of some kinds of rolled steel. Supplies of building materials such as steel, cement, and glass may see some surplus.

New Policy Eases Pressure on Private Sector

HK0501021790 Hong Kong SOUTH CHINA MORNING POST in English 5 Jan 90 p 12

[By Willy Wo-lap Lam]

[Text] Beijing has moderated its policy of squeezing the private sector to arrest the trend of falling industrial production and large-scale unemployment.

This is the main message from a high-level conference organized by the State Commission for the Reform of the Economic Structure (SCRES), which opened in Beijing yesterday.

"In the course of carrying out the reform and open door policy, China has adequately modified its ownership structure," the official media yesterday quoted a senior official of SCRES as saying.

"Under the premise of upholding the public sector as the basis (of the economy), China must promote the development of various types of economies."

While conceding that the focus of economic reform must be to enhance the efficiency of the public sector, the official noted that other sectors, for example, rural households and individual enterprises, must also be fostered.

This is the first time since the June 4 Tiananmen Square crackdown that a senior cadre has spoken favourably of the private sector, which saw its biggest development under the ousted party chief, Mr Zhao Ziyang.

Top leaders including the party chief, Mr Jiang Zemin, have since June reiterated that the state should devote the bulk of its resources to large and medium-sized government enterprises.

Analysts say liberal cadres have recently argued that to alleviate the plight of falling industrial production and rising unemployment, Beijing must reverse its policy of constricting the private sector.

For example, in Guangdong, one of the richest provinces in China, unemployment was estimated to be 200,000 at the end of 1989, or 20 percent worse than the same period in 1988.

The SCRES official disclosed that in 1988, private enterprises accounted for 43.4 percent of total industrial production.

"The policy of reform and the open door has effectively raised productivity," he said, saying that in the past 10 years, the Gross National Product (GNP) had risen 9.6 percent a year.

The official also argued that in addition to mandatory state plans, Beijing should resort to indirect means such as economic, financial and price levers to regulate the economy.

A Western diplomat said: "The SCRES official's defence of reform and the private sector is an indication that the retrenchment and re-centralization policies pursued by Premier Li Peng and Vice-Premier Yao Yilin since late 1988 have come under criticism."

In a State Council meeting late last month, Mr Li conceded the need to maintain an adequate degree of growth and that special consideration should be accorded loss-making enterprises.

Some analysts believe the removal of Mr Yao, a well-known conservative, from the post of Minister of the State Planning Commission (SPC) in late December, signalled a readiness by the leadership to at least temporarily give up its recentralization plan.

At the fifth party plenum in November, senior SPC cadres were subjected to severe attacks by regional leaders and managers of large enterprises for its excessive tight money policy.

In the wake of the plenum, credit has been selectively loosened up. And relatively liberal cadres, including those in SCRES—once a stronghold of reformists—have taken the opportunity to press their case against strict central planning.

ICBC Reports Increased Deposits

*OW2912213789 Beijing XINHUA in English
1555 GMT 29 Dec 89*

[Text] Beijing, December 29 (XINHUA)—The Industrial and Commercial Bank of China [ICBC] reported today that savings deposits in urban and rural areas totalled 229.5 billion yuan by December 20—some 47.7 billion yuan more than in the early part of this year.

This large increase will play a role in stabilizing the economy and markets, an official of the bank said.

He attributed the increase to the recent state policies of rectifying the economic order and price control.

State Energy Projects Exceed Production Plans

*OW2912213889 Beijing XINHUA in English
1609 GMT 29 Dec 89*

[Text] Beijing, December 29 (XINHUA)—China's coal mines, funded by the State Energy Investment Corporation, have increased their production capacity by 23.15 million tons this year, 1.56 million tons more than stipulated in the state plan.

Of the power projects invested in by the corporation, 38 generating units with a capacity of 5.18 million kw have gone into operation, 1.26 million kw more than in the state plan.

The coal projects invested in by the corporation account for 95 percent of the production capacity of new coal mines, while the power projects funded by the corporation account for 75 percent of the total increase in China.

The corporation has also funded nine coal dressing plants with a capacity of 18.7 million tons, 6,505 km of transmission lines and transformer capacity of 9.36 million kva.

The energy-saving company under the corporation has invested in 220 projects which are expected to save energy equal to 2.15 million tons of standard coal, increase power generating capacity by 300,000 kw and reduce environmental pollution.

Reshaping of County Level Development Planned

*HK0501053290 Beijing CHINA DAILY in English
3 Jan 90 p 3*

[By staff reporter Wen Jia]

[Text] The start of a new decade is bringing scientific planning and administration into the vast rural areas of China to speed their social and economic development.

Beginning this year, the State will reshape its comprehensive programming of regional development at the county level, CHINA DAILY has learned.

An official of the Ministry of Construction said the move was aimed at better use of local labour and natural resources and environmental protection in the new decade.

"We've learned from the successes and failures of the past decade," said Gu Wenxuan, chief of the Regional Planning Division of the ministry.

Despite the planned economy for the country, the State only started to pay close attention to comprehensive regional planning at the county level in recent years.

Random investment based on impractical decisions of local magistrates has cost some counties to lose their limited financial resources [as published] and local people's support.

Xinhua County of Guangdong Province in South China collected several million yuan to build a harbour along its coast in the early 1980s, but found the spot unsuitable for a good port.

Now, the State wants local counties to make rational and scientific programmes of social and economic development based on a sound understanding of local conditions, said Gu. The move will also help adjust existing plans of various specific fields.

The central government wishes to bring regional planning, construction and management to be practised throughout the country in two to five years.

According to Gu, the programmes include at least short and longterm development targets, forecasts of population growth and labour transfer, ways to balance agriculture with industrial undertakings, protection and expansion of land, forests, water resources, tourism sites and ancient relics.

Instead of encouraging counties to compete with and follow each other, the State demands that measures must suit local actualities and set different policies for different areas.

The focus of rich counties along the coastline and around large cities falls on co-ordinating local industry with agriculture. The poor areas will have to give priority to economic development to rid themselves of poverty as soon as possible.

The majority, which accounts for 65 percent of about 2,000 counties in total, will focus their efforts to tap local resources and build up a sound economic and communications system around comparatively advanced towns, Gu said.

Increased Foreign Interest in Investment

*OW0401123190 Beijing XINHUA in English
0852 GMT 4 Jan 90*

[Text] Beijing, January 4 (XINHUA)—Investors from various countries and regions have expressed an interest in investing in China, Shen Jueren, vice-minister of Foreign Economic Relations and Trade (MOFERT) said in today's "CHINA DAILY".

He expected overseas investment to continue to increase in China this year.

Actual foreign investment was expected to total 2.8 billion U.S. dollars in the past year, a 7 percent increase over the previous year's figure.

As China has vowed to continue improving the investment environment this year, the vice-minister is sure that foreign investment will maintain the present growing trend.

Shen said China will make more efforts to ensure the supply of funds and raw materials for foreign-funded enterprises.

He said the growing trend will be ensured by the recent devaluation of the Chinese yuan against foreign currencies and the new amendments of the country's equity joint venture law.

The new exchange rate, which became effective on December 16, is about 4.72 yuan to one U.S. dollar, down from the previous 3.72 yuan.

Under the new rate, Shen said, foreign businesses will be able to invest 26.9 percent less than under the old rate to build a similar venture.

This is because China can supply most materials needed for the construction of the ventures and the materials can be bought in Chinese currency.

Meanwhile, China's amended joint venture law is expected to be reviewed and adopted at the Third Session of the Seventh National People's Congress scheduled to convene in spring.

In the amended law, China will pledge not to nationalize or expropriate joint-venture enterprises.

The amendments also decree that foreigners may chair the board of directors in joint ventures and stipulate that joint ventures can run with or without a fixed term limit.

The current law rules that the chairman has to be Chinese.

Shen said the amendments demonstrate that China is improving its investment environment and gaining the confidence of overseas investors.

Shen said foreign investment continued growing in 1989. The number of approved foreign-invested projects was expected to approach the 1988 level while both the contractual value of new foreign commitment and the actual amount of foreign investment were expected to surpass the previous year's figures.

He estimated that the number of newly-approved foreign-funded projects was 5,700 in 1989 with a total foreign commitment of 5.5 billion U.S. dollars. In 1988, the country altogether approved 5,900 such projects with 5.3 billion U.S. dollars contracted foreign money.

By November 1989, China had approved 21,221 foreign-invested projects with a total contractual value of 33.3 billion U.S. dollars overseas capital, Shen said.

During the first three quarters of last year, U.S. investors committed 460 million U.S. dollars, Japanese investment during the same period was 278.5 million U.S. dollars.

Investment from Hong Kong, Macao and Taiwan, meanwhile, had also grown. By the end of September, their contracted investment in 1989 amounted 3.2 billion U.S. dollars.

Shen said over 90 percent of the newly approved foreign-invested projects are industrial productive ventures.

State To Use Foreign Aid in Poverty Fight

*HK3112061089 Beijing CHINA DAILY in English
30 Dec p 1*

[By staff reporter Xie Liangjun]

[Text] The Chinese Government plans to divert part of its overseas aid and investment to the country's most under-developed areas in a bid to speed up development of poverty-stricken regions.

This is in addition to the government's promise to invest 4.1 billion yuan into these areas very year through various channels.

However, officials said that these efforts may take some time to produce any results, and no quick success should be expected.

Wang Wanpeng, an official from the Leading Group Office of Economic Development for Poverty Areas under the State Council, said that China hopes to get financial support from international communities in its fight against poverty, though the nation pledges to solve poverty issues mainly through self-reliance.

He said that the negotiation between the office and the United Nations Development Programme, which started

in 1988, has ended with the UN agreeing to provide \$2 million for China to train 10,000 professionals in poor areas.

And many foreign institutions and countries like Italy, West Germany and Canada have said they were willing to help.

But he also admitted that no great progress has been achieved, and some co-operative projects have had to be postponed or even cancelled due to unfavourable investment conditions in some areas. And there was what he called repercussions of the May-June social unrest.

Every effort must be made to absorb overseas investment and aid, he urged.

He said that the China Development Foundation for Poverty Areas was inaugurated in March this year, aiming to raise more poverty-fighting funds, including overseas aid through non-government channel.

China's eight democratic parties have been active in joining efforts to eradicate poverty over the past few years, including attempts to channel foreign investment into these areas.

Sources from the State nationalities affairs authorities expressed their confidence in these efforts, adding that preparatory works of such foreign co-operations are well under way.

The Chinese population with a per-capita income of under 200 yuan reached 110 million in 1985, after a four-year nationwide campaign to help the poor, the number was reduced to 50 million by the end of 1988, and this number is expected to drop to 30 million by the end of 1989. An estimated 60 per cent of the poor people are minority people.

Commentator Urges Improved Livestock Breeding

*HK0401154590 Beijing RENMIN RIBAO in Chinese
28 Dec 89 p 1*

[Commentator's article: "It Is Necessary To Pay Attention to Developing Livestock Breeding"]

[Text] Each year in the past, Jilin Province had to transfer some 10 billion jin of grain to other provinces. In return, it would receive between 200,000 and 300,000 head of hogs. That was a huge abnormality. Jilin has now found a solution to that problem, and has become self sufficient in pork supply. This is something worth congratulating.

With more grain there will be more hogs. More hogs will in turn provide a greater volume of organic fertilizer for grain production and a sound cycle of agriculture will be promoted.

More hogs and more pork are favorable to stabilizing market prices. Again, stable prices will be favorable to

the stability and solidarity of the entire society. This is not just economic work but also a political task.

Breeding hogs will also increase peasants' income. Rural households should not grow grain alone, but pursue multiple management. Developing hog breeding is one of the best ways of multiple management.

Therefore, this is a major matter, to which leadership and relevant departments must attach importance.

In places where there is ample grain, attention should be paid to hog breeding. Those places with shortages of grain should do likewise. There is much room for accomplishments in breeding hogs with agricultural and sideline produce.

Whether it be herding or farming areas, there should be developed, in a big way, forage livestock like cattle and sheep. That will save a great deal of grain. Chicken breeding involves the least grain consumption. So it is necessary to choose chicken breeding as a breakthrough in livestock breeding.

True, developing livestock breeding relies on policy and input, but more important is the reliance on science. It is necessary to grasp the multiplication of fine breeds,

fodder, processing, and the prevention and treatment of diseases. In the north, heating in winter can be a big problem. A solution may be found by resorting to huge tents covered by plastic sheeting.

Now the difficulty in marketing meat has surfaced again in some places. That is a dangerous signal. With difficulties in marketing meat this year, difficulties in getting it may surface next year. By no means should we repeat such dilemmas. Generally speaking, China is short of meat, and an ample meat supply is just a temporary phenomenon. It is hoped that the leadership of those places where the difficulties in marketing meat have surfaced will not be bewildered by such temporary phenomenon. It is imperative to protect peasants' enthusiasm for hog breeding with great zeal. Relevant departments should find ways to guarantee funds for hog procurement in places where the problem of fund shortage arises. In other places, there are storage problems, so it is necessary for them to actively build some storehouses for meat and eggs step by step. Work in transportation should be stressed, which serves as a lever to regulate surplus and shortage, so that commodities will flow with ease. In short, leadership at various levels must augment services in every description so that livestock breeding may undergo a great development.

East Region**Fujian Stops Gun Smuggling, Arrests Taiwanese**
OW0101142890 Fuzhou Fujian Provincial Service in Mandarin 1100 GMT 30 Dec 89

[Text] The Xiamen City Public Security Bureau today held a meeting to celebrate the cracking of a gun smuggling case and to commend the personnel concerned. The Ministry of Public Security awarded a Citation for Merit, First Class, to the task force handling the case. The provincial Public Security Department awarded a Citation for Merit, Second Class, to (Wang Zhenhe), director of the Xiamen City Public Security Bureau. Also cited and awarded were 48 other public security personnel who participated in the case.

The Xiamen City Public Security Bureau was informed in early September that a man from Penghu, Taiwan, was using the assumed name of (Wu Dongren) to engage in illegal gun smuggling in Xiamen. The bureau immediately formed a task force to conduct an investigation. With the assistance of the public security organs of Fuzhou, Quanzhou, Zhangzhou, Pingtan, Shanghai, Guangzhou, and Shenzhen, the task force arrested a group of lawless elements from Taiwan. Among them were (Wu Wenxin), alias (Wu Dongren), chief culprit of the gun smuggling case and a habitual smuggler wanted by Taiwan police; and (Xu Kesong), a suspect wanted in a murder case in Taiwan. On 18 September, the task force cracked the illegal gun smuggling case involving Taiwan's lawless elements, who had sneaked into the mainland and ganged up with mainland lawless elements to engage in gun smuggling.

Fujian Governor Joins Voluntary Laborers
OW3112103989 Fuzhou FUJIAN RIBAO in Chinese 10 Dec 89, p 1

[By reporter Xie Jingsi (6200 2533 1835)]

[Text] Approximately 1,000 cadres from 14 departments and bureaus under the provincial government participated in voluntary labor activities at the 20-plus-mu open grounds in front of the provincial stadium yesterday afternoon.

Representatives from the provincial government office, the provincial personnel bureau, the provincial administration bureau, and other units arrived at the scene at 1330, 30 minutes earlier than the scheduled opening of activities. Leading comrades, such as Wang Zhaoguo, Su Changpei, and Shi Xingmou, participated in the earth-digging, tree-planting activities.

Governor Wang Zhaoguo was in shirtsleeves but still sweated profusely, and his clothes were covered with mud. An inspector came over to look at the hole he had dug, and remarked that his work was not up to standard. The comment prompted Governor Wang to intensify his efforts. After finishing his work, Wang helped other

people with their labor. During a break, he said: "Participating in labor helps promote unity and friendship. It brings people together. One can understand the toil of the masses only by taking part in labor. Cadres of government organizations and students should participate in such labor because it will benefit them greatly."

More than 5,000 cadres participated in similar voluntary labor activities in Fuzhou City yesterday. Among the participants were leaders of the Fuzhou City CPC Committee and the Fuzhou City Government and some officers and men of the provincial military district.

Army Receives Ownership of Hangzhou Barracks
OW3612055389 Hangzhou Zhejiang Provincial Service in Mandarin 1000 GMT 21 Dec 89

[Text] Hangzhou City issued titles of building ownership today to Army units, the first time this has taken place in our province. The purpose of issuing titles of building ownership is to confirm the property rights of Army barracks through legal means and thus to give these barracks protection under state law.

This work is the first of its kind since the People's Republic of China was founded.

To ensure that this work is executed smoothly, Hangzhou City and troops stationed in Hangzhou jointly established a leading organ. Both Army and local personnel who were involved in the work of registering and issuing ownership titles were given intensive training. The work to register and to issue ownership titles for some 700,000 square meters of Army barracks belonging to units stationed in Hangzhou started last year. The work has been carried out smoothly.

Jiangxi Militia Representatives Open Meeting
OW2612102289 Nanchang Jiangxi Provincial Service in Mandarin 1100 GMT 13 Dec 89

[Excerpts] The fifth Jiangxi provincial meeting of representatives of militiamen opened in Nanchang today. Vice Governor Zhang Fengyu presided over the opening ceremony. Provincial party, government, and army leaders attended the opening ceremony. These leaders included Liu Fangren, Wang Zhaorong, (Ma Shichang), Zhang Chuanshi, Zhao Zengyi, Zhu Zihong, Wang Zemin, Wu Yongle, (Wei Changan), (Shen Shanwen), (Shen Zhongqiang), (Liu Guoxue), (Liu Zimin), and (Chen Minjiu); Bai Dongcai, member of the Central Advisory Commission; and former leading members of the Provincial Military District, including (Chang Guanhui), Wang Baotian, Wang Guande, and (Liu Depei).

Also attending the opening ceremony were Chen Chao, director of the Mobilization Department of the People's Liberation Army [PLA] General Staff Department, who was entrusted by Chief of General Staff Chi Haotian to attend the meeting, as well as responsible comrades of departments concerned of the General Logistics Department and the Nanjing Military Region.

Liu Fangren, deputy secretary of the Jiangxi Provincial Party Committee, delivered an opening speech. He conveyed cordial regards on behalf of the provincial party committee, the provincial people's government, and the provincial military district, to all representatives and comrades taking part in the meeting and through them to the broad masses of militiamen, reserve service members, and cadres of people's armed forces departments on all fronts in the province. He said: This meeting is held at a time when the whole party, the whole Army, and the people of all nationalities are implementing deeply the guidelines of the 4th and 5th Plenary Sessions of the 13th CPC Central Committee and the enlarged meeting of the Central Military Commission. Attending the meeting were 450 representatives, including cadres of people's armed forces departments, who have made outstanding contributions to the building of militia units and reserve forces, professional military cadres, cadres of reserve units, representatives of militiamen, secretaries of party committees of various prefectures, cities, counties, and districts, chairmen of people's armed forces departments at various levels, leading comrades of various military sub-districts and people's armed forces departments at various levels, old models who have made active contributions to the building of militia units, and responsible comrades of PLA units stationed in Jiangxi and of armed police units in Jiangxi. [passage omitted]

Zhang Chuanshi, member of the Standing Committee of the provincial party committee and commander of the provincial military district, delivered a work report, entitled "Heighten Our Spirit, Seek Truth From Facts, Create New Things, and Raise the Building of Militia Units and Reserve Forces in This Province to a New High Level" at the opening ceremony. [passage omitted]

Shandong's Jiang Addresses Secretaries Forum

SK0201033290 Jinan Shandong Provincial Service
in Mandarin 2300 GMT 28 Dec 89

[Text] At the provincial forum of secretaries general of the city and prefectural party committees and directors of offices and departments, which ended on 28 December, Jiang Chunyun, secretary of the provincial party committee, gave an address. He called on the party committees, offices, and departments at all levels throughout the province to strengthen ideological and political work, enhance revolutionary spirit, successfully fulfill all tasks assigned by the provincial party committee, and contribute to further improving the economic environment, rectifying the economic order, and deepening reform.

Jiang Chunyun said: As the comprehensive work departments of the party committees of the corresponding level, the party committees, offices, and departments must serve as direct advisers and assistants to the party committees and serve as important links for connecting and coordinating with all prefectures and departments in carrying out their work. They also must shoulder the complicated tasks of participating in political affairs,

managing affairs, and giving good services. These special positions and tasks are required by the party committees, offices, and departments in order to unify ideology and understanding in line with the current international and domestic situations and the party's central tasks and through strengthening ideological and political work. These special positions and tasks should also raise the political awareness of all personnel, mobilize their work enthusiasm and creativity, make comrades of offices and departments show concern for what concerns the country, and worry about what worries the party committees, and do a better job in offering views and making suggestions for carrying out the central work of their own localities and units.

Jiang Chunyun expressed hopes that during the next year, the party committees at all levels and all offices and departments will foster and promote an enterprising spirit of being modest and eager to learn in order to enhance ability among all personnel, a dedicated spirit of working hard without complaints, a scientific spirit of seeking perfection while dealing with concrete matters relating to work and making improvements, an honest spirit of wholeheartedly serving the public and seeking no personal gains, and a collective spirit of being strict with oneself and lenient with others, and will cultivate ranks of high-level cadres and will create top-grade work achievements.

Ma Zhongchen, deputy secretary of the provincial party committee, and Ma Zhongcui, member of the Standing Committee of the provincial party committee and secretary general, attended and addressed the forum.

Jiang Chunyun Writes Preface for Shandong Journal

SK2812045189 Jinan Shandong Provincial Service
in Mandarin 2300 GMT 27 Dec 89

[Text] The monthly journal for grass-roots party schools, which is China's first journal to study grass-roots party schools' teaching and to provide regular party class teaching materials for education of party members, will soon begin publication and be put on sale. Readers will see the journal in the next few days.

The grass-roots party school monthly journal is sponsored by the Propaganda Department of the Shandong provincial party committee. The first issue of the grass-roots party school monthly journal will come off the press on 5 January 1990. Comrade Jiang Chunyun, secretary of the Shandong Provincial party committee, wrote the preface for the first issue of this journal.

Shandong Leaders Fete Soldiers, Families

SK0201052790 Jinan Shandong Provincial Service
in Mandarin 2300 GMT 30 Dec 89

[Excerpt] The province, the Jinan Military Region, and Jinan City held a ceremonious soiree at Jinan's Zhenzhuquan Auditorium on the afternoon of 30 December

to mark activities to support the Army and give preferential treatment to families of revolutionary martyrs and soldiers and to support the government and cherish the people. The soiree was permeated with a warm atmosphere of unity between the Army and the government, and between the Army and the people. Party, government and Army leaders, cadres, heroic models, commanders and fighters of the army, and representatives of the people who receive preferential treatment happily gathered to discuss the new achievements in socialist modernization made by soldiers and civilians of our province under party leadership. They made these achievements by adhering to the four cardinal principles and persisting in reform and opening up in the past year, keeping the fish-and-water Army-government and Army-civilian ties characterized by unity and hard work, and promoting the bright prospects of socialist modernization. They pledged to rally more closely round the party Central Committee with Comrade Jiang Zemin as its core in the new year, further carry forward the glorious revolutionary traditions, strengthen Army-government and Army-civilian unity, make progress in unity despite difficulties, maintain self-reliance, plain living and hard struggle, and strive to win new success in building the socialist material and spiritual civilizations.

Attending the soiree were Zhou Keyu, deputy director of the General Political Department of the Liberation Army; Li Jinai, director of the Cadres Department of the General Political Department; Jiang Chunyun, secretary of the provincial party committee; Li Jiulong, commander of the Jinan Military Region; Song Qingwei, political commissar of the Jinan Military Region; Ma Zhongchen, deputy secretary of the provincial party committee; Zhao Zhihao, deputy secretary of the provincial party committee and provincial governor; Liang Buting, chairman of the provincial advisory commission; Li Zhen, chairman of the provincial people's congress Standing Committee; and Li Zichao, chairman of the provincial committee of the Chinese People's Political Consultative Conference. [passage omitted]

Shandong Holds Family Planning Meeting

SK3012073789 Jinan Shandong Provincial Service in Mandarin 2300 GMT 29 Dec 89

[Excerpts] Zhao Zhihao, deputy secretary of the provincial party committee and provincial governor, chaired a meeting of the family planning leading group of the provincial party committee on 29 December. This year's work was summarized and next year's tasks were outlined at the meeting. The meeting noted that our province has achieved notable results in family planning this year. During the year of peak births, the province was able to maintain the slow population growth rate that was first observed last year. It has a very good chance to fulfill the planned natural population growth rate of 11 per 1,000.

It was pointed out at the meeting: Next year is still a year of peak births, but the natural population growth rate

should be reduced by 1 per-thousand from this year's. The task to keep the province's population growth rate at 10 per 1,000 is very arduous. The meeting urged that we should continue the practice that party and government leaders at various levels personally pay attention to family planning work; include the work in the overall arrangements for the endeavor to improve and rectify; and arrange, examine, summarize, and evaluate it as we do economic work, and see to it that the two kinds of production and two kinds of civilization are attended to and built simultaneously. [passage omitted]

Zhao Zhihao, Lin Ping, Wang Lequan, Song Fatang, and Ding Fangming delivered speeches at the meeting.

Shanghai Mayor Delivers New Year Message

OW0201022590 Shanghai City Service in Mandarin 2300 GMT 31 Dec 89

[Shanghai Mayor Zhu Rongji New Year message—recorded]

[Text] All residents of Shanghai, comrades:

The year 1989 has just passed, and the year 1990 has arrived. At a time when we ring out the old year and ring in the new, I would like to extend my New Year greetings to all of you on behalf of the Shanghai Municipal People's Government.

In 1989, the people of Shanghai wrote a glorious chapter in history. When our party and our country were faced with difficulties, the people of Shanghai, especially the working class in Shanghai, under the correct leadership of the party Central Committee and the State Council, adhered to the four cardinal principles in a clear-cut manner, stopped the turmoil, stabilized Shanghai, and helped control the overall situation.

During the past year when China was experiencing temporary difficulties in improving the economic environment and rectifying the economic order, the people of Shanghai scored victories in steadily developing the national economy. Spending on capital construction projects was greatly cut, while all major construction projects playing a significant role in readjusting the industrial setup were completed. Construction projects for the development of Shanghai's infrastructure are still being vigorously developed. The people of the municipality have greatly benefited from the 12 construction projects that have been completed. Consumer spending was placed under control, and the supply of food and vegetables was stabilized. The index of price increases in 1989 was significantly lower than that of 1988. We are pleased with the achievements made by the people of Shanghai.

The year 1990, which we have just rung in, will be a crucial year in which we must implement the guidelines laid down by the 5th Plenary Session of the 13th CPC

Central Committee, improve the economic environment, rectify the economic order, and deepen reform. We will invariably encounter many difficulties and challenges. Our tasks are:

1. We must continue to develop the political situation in Shanghai characterized by stability and unity.
2. We must continue to maintain stability in developing the national economy.

Our slogans are: First, we need stability. Second, we must concentrate our efforts on making the necessary readjustments, rectifying the economic order, strengthening our management, and implementing reforms.

Measures should be taken to strengthen party building and to help party cadres improve their style of work and remain honest in performing their official duties. Cadres and party members must share weal and woe with the broad masses. We must unite with the millions of people to work hard, raise our efficiency in the course of making readjustments, and promote developments in the course of attaining stability. We should not take difficulties lightly. We have many favorable conditions in which to overcome our difficulties. Our preparations for production this year have been made earlier, as compared with last year. We now have a sufficient coal supply, and we have placed orders early for this year's raw materials from foreign countries. We have better conditions for production this year, as compared with last year. Therefore, as long as the leadership and the rank and file are of one mind, we will definitely be able to overcome all our difficulties.

Comrades: The 1990's will be a crucial period in which we rejuvenate Shanghai. It is a period for the people of Shanghai to develop their abilities to the full. I believe that we, the people of Shanghai, will definitely be able to fulfill our historical tasks. Let us work hard shoulder to shoulder and march forward courageously. Thank you.

Shanghai Leaders Visit Factories, Unemployed

OW0101133290 Shanghai City Service in Mandarin
1000 GMT 30 Dec 89

[From the "News" program]

[Text] Zhu Rongji, Huang Ju, Wu Bangguo, Ni Hongfu, Ye Qongqi, Xue Xide, and other leading comrades of the Shanghai Municipal Party Committee, the municipal people's congress, the municipal government, and the municipal committee of the Chinese People's Political Consultative Conference made separate trips this morning to some factories to visit the workers there and to familiarize themselves with their production situation.

They also visited some workers' homes to show their concern for the livelihood of those workers who are waiting for work and who have to stay home because their plants have suspended production.

Shanghai Revenues Rise 3.4 Percent Over 1988

OW0101131390 Beijing XINHUA in English
1235 GMT 1 Jan 90

[Text] Shanghai, January 1 (XINHUA)—Shanghai, China's largest industrial center, raised 15.87 billion yuan in financial revenue last year, 3.4 percent more than in the previous year, and fulfilled its contracted target of payment of 10.5 billion yuan to the state.

Local officials attributed this to the implementation of the economic rectification policy, overcoming difficulties in supply of production funds, raw materials and energy, and readjustment of the industrial and product structures.

Shanghai Reports Record Export Volume

OW2912213989 Beijing XINHUA in English
1530 GMT 29 Dec 89

[Text] Shanghai, December 29 (XINHUA)—Shanghai, China's largest industrial center, has exported five billion U.S. dollars-worth of products this year, a record high.

Shen Beizhang, chairman of the Shanghai Municipal Foreign Economic Relations and Trade Commission, said here today that this is an 8.6 percent increase over last year.

He said Shanghai's exports experienced a hard time during the first four months because of insufficient supplies of energy, raw materials and funds. During that period exports declined about 10 percent.

Shen attributed the increase to greater efforts made and effective measures taken to encourage exports in the rest of the year.

Shanghai Chosen as Airliner Design Center

OW0101021790 Beijing XINHUA in English
0145 GMT 1 Jan 90

[Text] Shanghai, January 1 (XINHUA)—Shanghai, China's largest industrial center, has been chosen to design large airplanes for trunk routes in an ambitious plan for the 1990s to develop and produce more than 100 large airliners the country will need before the year 2000.

After tough competition, Shanghai, which has two decades of experience in developing and producing large airplanes, has won the bid. Preparations are being made for construction of an airplane design center, according to a local newspaper, the "LIBERATION DAILY."

In the past four and a half years, Shanghai and the McDonnell Douglas Company of the United States have jointly produced MD-82 passenger planes here for use in China.

Central-South Region**Guangdong Views Elimination of Seven Vices**

HK2912071489 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 28 Dec 89

[Text] Our province has made marked achievements in the unified action of eliminating seven vices that have cropped up over the past month or so. By 20 December, 2,528 criminals guilty of seven vices had voluntarily surrendered themselves to the public security organs, 1,298 criminals guilty of seven vices had been seized and handed over to the public security organs, and the masses had supplied 5,256 clues on the seven vices.

According to the provisions of the relevant laws and policies, the public security organs leniently dealt with the criminals guilty of seven vices who had voluntarily surrendered themselves to the public security organs and confessed their crimes.

Guangxi Secretary Views Procuratorial Work

HK0201080590 Nanning Guangxi Regional Service in Mandarin 1100 GMT 31 Dec 89

[Excerpts] According to the spirit of the important speeches given by General Secretary Jiang Zemin and Premier Li Peng during their meeting with deputies to the National Conference of Chief Procurators, and the spirit of the National Conference of Chief Procurators, the Guangxi Regional Conference of Chief Procurators, which concluded on 30 December, put forward the following two new tasks for work in the year 1990:

1. To continue to give top priority to the struggle against embezzlement and bribery, and to strengthen leadership in a practical way over the struggle by pooling more human and material resources in this respect in order to investigate and crack more major cases in 1990;
2. To step up the struggle against serious criminal activities, to fight against antagonistic forces with the help of law, to safeguard the political situation of stability and unity, to stabilize the regional situation, and to make more contributions to safeguarding the smooth implementation of the reform and to maintaining social order.

At the conference, Qiu Donglin, chief procurator of the Guangxi Regional People's Procuratorate, delivered a speech entitled "Severely Cracking Down on Embezzlement, Bribery, and Criminal Activities and Promoting the Campaign of Further Improving the Economic Environment, Rectifying the Economic Order, and Deepening the Reform." [passage omitted]

Regional party and government leaders, including Chen Huiguang, secretary of the Guangxi Regional CPC Committee; Tao Aiying, deputy secretary of the Guangxi Regional CPC Committee; Gan Ku, chairman of the Standing Committee of the Guangxi Regional People's Congress; Huang Jia, vice chairman of the Standing Committee of the Guangxi Regional People's Congress;

Cheng Kejie, vice chairman of the Guangxi Regional People's Government and some other regional leaders, attended the conference. [passage omitted]

Chen Huiguang, secretary of the Guangxi Regional CPC Committee, delivered a speech at the conference. In his speech, Comrade Chen Huiguang spoke highly of the achievements made by the regional procuratorial organs in the struggle against embezzlement and bribery and in maintaining social order.

Comrade Chen Huiguang also expressed the hope that the broad masses of the police officers and policemen involved in the regional procuratorial work will conscientiously implement the decisions made by the 4th Plenary Session and the 5th Plenary Session of the 13th CPC Central Committee; give full scope to the supervisory role of the law; resolutely crack down on embezzlement, bribery, and all types of criminal activities; and severely punish principal criminals so as to maintain normal economic order and social order in Guangxi and to enable Guangxi to make greater achievements amidst reform, opening up to the outside world, and economic construction.

Hainan Disciplines 17 Corrupt Party Members

HK2912145189 Haikou Hainan Provincial Service in Mandarin 0500 GMT 28 Dec 89

[Excerpts] In the second half of this year, the Work Committee and Discipline Work Committee of the Hainan Provincial People's Government have jointly carried out party discipline education among the broad masses of the CPC members with a view to pushing ahead the work of building a clean government, investigating and cracking cases concerning discipline violation, and punishing corrupt elements among CPC members.

Over the past 6 months, a total of 17 CPC members have been punished for violating party and government discipline, thus greatly pushing ahead the work of building a clean government.

Over the past 6 months, Hainan Province has mainly concentrated its efforts on the following aspects with a view to furthering the work of building a clean government:

1. To conscientiously crack the economic cases among the CPC members. (Liu Yuwen), former deputy section chief at the Hainan Provincial Economic Cooperation Department, has been expelled from the CPC for taking bribes from a Hong Kong businessman. [passage omitted];
2. To strictly deal with CPC members who have violated party discipline in the campaign aimed at eliminating the six vices;
3. To punish CPC members who have violated party and government policies. A section chief of the Hainan Provincial Nationality Affairs Commission has been suspended from party membership for one year for encouraging his wife to give birth to his second child;

4. To punish CPC members who have cheated the higher authorities and sought private gains by abusing power; [passage omitted]
5. To speed up the investigation of CPC members who participated in the recent nationwide turmoil.

Article Discusses Hainan Special Economic Zone

HK0201091190 Hong Kong WEN WEI PO in Chinese
29 Dec 89 p 1

[Article by Fu Fen (4569 1164) and Chung Wen-yi (6988 5113 0001): "Yangpu: A Difficult Take-off—First Report On the Hainan Special Economic Zone"]

[Text] Editor's Note: It lies at the far corner of the world, with coconut palms caressed by the sea breeze. Hainan Province—the youngest province of China—has been established for just 1 year. This treasure island, with natural conditions in no way less favorable than Taiwan's, given many years of "no large-scale development for a national defense frontline," has at last caught up with the 1980's and started on the road to openness, importation, and development. But given the 4 June storm, the Yangpu Incident, the change of the provincial governor, and a slowdown in international economic development, every indication seems to point to Hainan's "untimely birth." For this reason, three assigned reporters of this newspaper have headed for Hainan to prepare "A Serial Report On the Hainan Special Economic Zone." [end editor's note]

A Fine Port Since Time Immemorial

Yangpu was an unknown place just 1 year or so ago. With the idea of developing Yangpu, this poverty-ridden backward village became the focus of world attention in no time.

The area of Yangpu covers Dan County northwest of Hainan Province. Its 2 towns of Ganchong and Sandu have a total area of 100-odd kilometers. Here, the Beibu Gulf lies to the west. The eastern side borders on Hainan Island itself. There is a population of more than 20,000. It is a traditional village, with agriculture and fishing as its economic base.

This was once a patch of impoverished land. In former years, a poet of the Song Dynasty Su Dongpo was sent into exile here. He described it with these words: "Boats in the north do not come for the price of pearls." But Yangpu has a natural deep-water, wind sheltered bay. According to records in the "Story of Dan County," Yangpu Bay "has rocks all around". It has a water depth of several tens of feet. Boats and warships can dock here. There is a capacity for several hundred large and small vessels. The port faces south, with the north at its back. To the west, it is protected by rocks all around. No northerly winds or northerly waves pose any threat. So all vessels docked at the port are safe all the time, despite winds and waves.

The Republic of China First Had the Idea of Development

The first idea of developing Yangpu was not put forward today. In the "Introduction to the Three People's Principles: Strategy for Running the Country," Dr. Sun Yat-sen referred to the building of the Yangpu Port on Hainan Island.

According to records in the "Story of Dan County," in 1936, "the government intended to set up a commercial port here." Two years later, when the Japanese aggressors set foot on Hainan Island, they also cast a covetous eye at Yangpu. In the early 1970's, Premier Zhou Enlai, then still alive, also suggested that China should build a 10,000-ton grade wharf with 200 berths. Yangpu was put on the list of locations to be chosen.

In 1974, it was probably in line with this plan that the Hainan Administrative Office of Guangdong Province put forward the idea of building the Yangpu port.

In 1988, the first blueprint for the development of Yangpu that had been in people's minds for 100 years at last appeared. Hainan Province became China's largest special economic zone. There at last existed social soil for the realization of the development of Yangpu and relevant external conditions.

Not long after the establishment of Hainan Province, experts and decisionmakers suggested the need for Hainan to seek a new economic takeoff model in light of its own actual conditions. They considered that a relatively workable way was to make use of foreign capital and seek overall development with comprehensive compensation. This meant that given the upholding of state sovereignty as a prerequisite, foreign businessmen should be allowed to contract on a large scale. They need an appropriate right to use land granted at a price to meet relevant needs; projects used as a guide in providing land; and land priced low in exchange for large investments and high efficiency.

This idea was immediately confirmed first of all by Beijing. The first experiment involved Yangpu.

At that time, the building of the Yangpu port had already started. The Ministry of Communications made an investment of 180 million yuan. Starting from 1986, 3 berths and a 60-kilometer-long highway were built here. Better conditions had been provided for the development of Yangpu. The blueprint was getting closer and closer to realization.

An Agreement Reached with Kumagai

Yangpu was looking for foreign investors with the offer of favorable terms. (Maru-aka) [Wan-hong 0029 4767] of Japan, (Fo-li) [0154 0448] of Hong Kong, and some financial groups from the United States, Britain, and Canada showed a desire to participate. But because of the heavy investment involved and the poor investment environment, they held off. At this time, Kumagai (Hong Kong) Limited expressed a keen interest. Both sides

reached an agreement after discussions: Hainan Province is to provide Kumagai (Hong Kong) with 30 square kilometers of land bordering on the Yangpu port at a rental of 2,000 yuan per mu on a lease of 70 years. The investor must obey China's laws and rules and regulations, and Hainan Province is to draft relevant rules and regulations for the development of the Yangpu economic zone. Those sectors of the zone that are in the category of China's sovereignty and government functions, such as public security, customs, procuratorial work, legislation, taxation, and so forth, are the responsibilities of Hainan Province, with simplified administrative organs set up. Projects to be imported by foreign businessmen will be respectively encouraged, restricted, or banned, as based on plans and policies.

Yangpu had at last taken off from the runway.

On 19 January this year, Dan County and Kumagai (Hong Kong) officially signed a lease agreement. At the signing ceremony, Vice Premier of China Tian Jiyun said that General Manager of Kumagai (Hong Kong) (Yu-yuan-ping) [0060 0337 1627] had shown great foresight settling on Yangpu as a target of investment.

The Hong Kong (Mao-sheng) [5399 4141] Limited Company, a subsidiary of Kumagai (Hong Kong) worked out a general plan for the 30 square kilometers of land on lease. On 9 March, Kumagai (Hong Kong) made an advance rental payment of 25 million yuan.

The large 60-kilometer highway from Yangpu to Dan County had been completed and opened to traffic. It was at this time that a storm arose. The "Kumagai" ran around at Yangpu Bay.

Hainan Officials Hold Talks With Kumagai Gumi

HK2812070789 Haikou Hainan Provincial Service
in Mandarin 2300 GMT 26 Dec 89

[Text] At the invitation of Governor Liu Jianfeng, Mr (Li Yuanping), General Manager and Vice Board Chairman of the Kumagai Gumi (Hong Kong) Company Limited, arrived in our province yesterday.

At 1500 yesterday, Hainan Provincial Party Committee Secretary Xu Shijie, Governor Liu Jianfeng, Executive Vice Governor Bao Keming, and Vice Governor Meng Qingping cordially met Mr (Li Yuanping) at the Qiongyan Guesthouse.

Both sides had a cordial, frank, and friendly talk on the issue of developing Yangpu Port for more than 2 hours and reached unanimity of views on some constructive proposals. They also exchanged views on developing some other cooperative projects.

Hainan Court Presidents, Judges Meet

HK2912035589 Haikou Hainan Provincial Service
in Mandarin 0500 GMT 26 Dec 89

[Text] Hainan Province held a meeting attended by all the city and county court presidents and presiding judges from 18 December to 20 December.

The meeting made specific arrangements aimed at making things easier for the masses to bring lawsuits and lodge appeals, and called on the people's courts at all levels in Hainan Province to make unremitting efforts to maintain social stability, safeguard the good situation of stability and unity, and open up new vistas for Hainan' judicial work.

The meeting disclosed that this year, the people's courts at all levels in Hainan have handled a total of 11,138 letters from the masses, received 3,058 visitors, and dealt with 10,762 cases, thus protecting the legitimate rights of the people concerned and making things easier for the people to bring lawsuits and to lodge appeals to a certain extent.

The meeting decided that the people's courts at all levels must heighten their understanding of the importance of the work of handling lawsuits and appeals, strengthen the ideological building of the contingent specialized in handling lawsuits and appeals, educate the judicial personnel to attach greater importance to their work and help the masses overcome their difficulties, strengthen education on professional morality among the judicial personnel, foster a fine style of honestly enforcing the law, adhere to the judicial principles, enforce the law in a serious manner, and further improve Hainan's work of handling lawsuits and appeals.

During the meeting, Ding Guo, president of the Hainan Provincial Higher People's Court, relayed the spirit of the 14th National Conference on Court Work.

Southwest Region

Military Region Views Sichuan Political Work

HK3112082089 Chengdu Sichuan Provincial Service
in Mandarin 2300 GMT 28 Dec 89

[Excerpts] The meeting of the Chengdu Military Region on political work that had lasted 5 days successfully concluded yesterday [28 December]. In attendance were the political commissars and political department directors of the units at and above an army level from the people's liberation army [PLA] units in Yunnan, Guizhou, Sichuan, and Tibet and of the divisions directly under the military districts. These and responsible comrades of the departments concerned seriously studied the documents of the Army-wide conference on political work and came to understand more clearly the basic tasks, guiding ideology, policies, principles, and method of the political work of our Army in the new

situation. They also stated specific views on the implementation of the spirit of the Army-wide conference on political work.

In his speech, entitled: "Take the Political Work as a Lifeline, Vigorously Strengthen the Political Building of the PLA Units of Our Region," Chengdu Military Region Commander Fu Quanyou pointed out: The Army-wide conference on political work reiterated: The political work must be taken as a lifeline and is of important practical guiding significance. He said: Only by taking the political work as a lifeline and vigorously strengthening political building can we guarantee the nature of our Army and can we enable the Army to be in an invincible position in the struggle against peaceful evolution forever.

In his speech, Chengdu Military Region Political Commissar Wan Haifeng pointed out: The minutes of the Army-wide conference on political work present and expound the issues of strengthening and improving the political work of the Army in the new situation. [passage omitted]

Wan Haifeng said: Under all circumstances, we must unwaveringly adhere to the party's absolute leadership over the Army and keep in line with the CPC Central Committee in ideology, politics, and actions. Under any circumstances, we must take a clear-cut stand in adhering to the four cardinal principles.

Shao Nong, director of the Political Department of Chengdu Military Region, made arrangements for the work of conveying, studying, and implementing the spirit of the Army-wide conference on political work.

Attending this meeting on political work were the members of the Chengdu Military Region CPC Committee Standing Committee, including Liao Xilong, Zhang Taiheng, Ma Bingchen, Ai Weiren, Li Shuo, and Tao Bojun.

Sichuan Establishes 1991-1995 Health Targets

OW0401030290 Beijing XINHUA in English
0134 GMT 4 Jan 90

[Text] Beijing, January 4 (XINHUA)—Sichuan, China's most populous province, in the 1991-1995 period plans to reduce the incidence of infectious diseases, such as hepatitis, dysentery, leptospirosis and epidemic hemorrhagic fever, by 10 percent, according to the latest issue of "HEALTH NEWS."

The plan also calls for lowering the labor mortality rate to well below 4 per 10,000 in cities and 9 per 10,000 in rural areas.

The targets for the infant mortality rate are below 25 per 1,000 in urban areas and below 40 per 1,000 in farming villages.

The provincial government has called on local authorities to pay attention to health work in charting their local socio-economic plans.

Tibet Arranges Planning, Finance, Reform

HK0201093190 Lhasa Tibet Regional Service
in Mandarin 1130 GMT 31 Dec 89

[Excerpts] By conscientiously implementing the spirit of the 5th Plenary Session of the 13th CPC Central Committee, the spirit of the important instructions given by the central authorities with regard to Tibet, and the spirit of the 8th Enlarged Plenary Session of the 3d Tibet Regional CPC Committee, the Tibet Regional Conference on Planning, Finance, and Structural Reform, which concluded on 30 December, has made comprehensive arrangements for the regional planning and financial work and the regional structural reform in 1990.

Hu Jintao, secretary of the Tibet Regional CPC Committee, Raidi, deputy secretary of the Tibet Regional CPC Committee, and Puquang, Gyamco, Tuda Doje, and Gong Daxi, vice chairmen of the Tibet Regional People's Government, attended the conference.

The conference was presided over by Puquang, vice chairman of the Tibet Regional People's Government.

Mao Rubai, executive vice chairman of the Tibet Regional People's Government, delivered a speech entitled "Brace up and Do a Better Job in Next Year's Economic Work" at the conference.

In his speech, Comrade Mao Rubai laid particular emphasis on the following aspects: 1) Summing up regional economic work in 1989; 2) the guiding ideology for regional economic work in 1990; and 3) the main tasks and measures for regional economic work in 1990.

When reviewing the regional economic work in 1989, Comrade Mao Rubai said that under the leadership of the Tibet Regional CPC Committee, the people's governments at all levels in Tibet have conscientiously implemented a series of principles and policies formulated by the central authorities regarding Tibet. They have also adhered to the principle of laying equal stress on stabilizing the regional situation and developing the regional economy, adhered to economic construction as the center, adhered to the policy of reform and opening up to the outside world, correctly handled the relationship between furthering reform and economic construction on the one hand and stabilizing the regional situation on the other, resolutely carried out the campaign of improving the economic environment and rectifying the economic order, which was initiated by the central authorities, made marked progress in all aspects of regional economic work, and greatly improved the livelihood of the Tibetan people. It is estimated that total regional industrial and agricultural output value in 1989 will have increased by 5.6 percent, as compared with last year. [passage omitted]

Nevertheless, Comrade Mao Rubai said that Tibet is still facing a rigorous economic situation, which is manifested by: 1) The absence of a strong reserve strength in regional agricultural production; and 2) regional inability to exercise strict price control. [passage omitted]

Comrade Mao Rubai said that the guiding ideology for regional economic work in 1990 is: To conscientiously implement the spirit of the 5th Plenary Session of the 13th CPC Central Committee, the spirit of the instructions given by the Central Authorities regarding Tibet, and the spirit of the 8th Enlarged Plenary Session of the 3d Tibet Regional CPC Committee; to further the campaign of improving the economic environment, rectifying the economic order, and deepening the reform; and to strive for a sustained, steady, and coordinated development of the regional economy. In the meantime, greater efforts must also be made to stabilize the relevant policies, strengthen regional agricultural and animal husbandry infrastructural construction, reinforce the reserve strength of regional agricultural and animal husbandry production, speed up regional infrastructural construction with the stress on building key energy and communications projects, accelerate the development of regional processing industries and mining industries in the hope of strengthening the reserve strength of regional economic development and increasing regional revenue, foster the mentality of plain living, and maintain a balance between regional financial income and regional financial outlay. [passage omitted]

Comrade Mao Rubai said that the main tasks of regional economic work in 1990 are: 1) To concentrate efforts on developing agriculture and animal husbandry with a view to increasing regional grain output and animal husbandry output; 2) to substantially increase input in agriculture and animal husbandry, carry out farmland capital construction and construction of water conservancy works, further strengthen leadership over regional animal husbandry, and popularize science and technology in regional agricultural production and animal husbandry production; 3) to carry out infrastructural construction with the stress on energy and communications projects; 4) to further the campaign of "double increase and double economy" in the hope of increasing regional financial revenue and improving regional economic results, strengthen the management of regional revenue work, and continue to curtail administrative expenditure; 5) to further implement and perfect the contracted responsibility system in various enterprises, establish lateral economic associations, and carry out lateral economic cooperation; and 6) to rectify the circulation order and strengthen market and price control. [passage omitted]

Hu Jintao, secretary of the Tibet Regional CPC Committee, also delivered a speech at the conference. In his speech, Comrade Hu Jintao said that in order to push ahead with the development of the regional economy, all comrades concerned should unify their ideology and actions according to the spirit of the 5th Plenary Session

of the 13th CPC Central Committee and the spirit of the important instructions given by the central authorities regarding Tibet. Comrade Hu Jintao pointed out that greater efforts must be made to carry out infrastructural construction relating to regional agriculture and animal husbandry. Greater attention must be given to the development of education, the training of qualified personnel, and scientific and technological development.

Comrade Hu Jintao also urged the departments concerned to show more concern for the livelihood of the people, help the broad masses of the people overcome difficulties in their daily life, and firmly foster the mentality of serving the people. Comrade Hu Jintao stressed that the CPC committees and people's governments at all levels must strengthen leadership over their economic work, implement the relevant measures to the letter, and carry out comprehensive economic management in order to successfully accomplish all the aforementioned tasks.

Newsletter Praises PLA Work in Tibet

OW0201003790 Beijing XINHUA Domestic Service
in Chinese 0538 GMT 25 Dec 89

[Special to XIZANG RIBAO: "Newsletter: Lei Fengs in Ancient City of Lhasa"—XINHUA headline, by XINHUA correspondent Chang Kaiming (1603 7030 2494) and XINHUA reporter Cheng Honggen (4453 4767 2704)]

[Text] Lhasa, 25 Dec (XINHUA)—From time to time, groups of PLA (People's Liberation Army) fighters can be seen setting up stands in the streets of this ancient city or visiting door to door to provide services to the people. People are praising them, saying: "Lei Feng is back."

Soldiers on Duty Busily Serve the People

An eye-catching banner with the words "Serve the People Wholeheartedly," hanging above the gate of the Lhasa City Cultural Palace, attracted the attention of pedestrians. Several soldiers of a home appliance repair group were busy repairing television sets and cassette recorders. An old Tibetan holding a just-repaired recorder told the reporters: "Now I can enjoy my favorite programs again. The PLA's free repair service is fast and excellent. I am very glad."

Zhang Yude and his wife, who live in the northern suburbs, had been unable to have their television set repaired since it broke down 9 months ago. The couple carried the television to the service stand. First Lieutenant Gao Ping, who heads the service group, warmly received them and delivered the repaired television set to the couple's home on the same evening. To show his appreciation, the old man took out 40 yuan and asked the soldiers to accept it. The first lieutenant hastily said: "It is our duty to help the people. We cannot accept your money."

The reporters found these figures on a register at a certain service stand: In 5 days, the stand repaired 148 bicycles, provided tea to more than 500 people, did 9 haircuts, fixed 27 home appliances, treated 63 patients, and provided legal consultation services for 8 people.

There are scores of service stands like this one in the streets of Lhasa, offering a dozen or so types of services to the people. Working under the scorching sun and braving the chilly winds, they have persistently served the people without interruption over the past few months. Their services have added to the joy of the people in this ancient city.

A Baby was Born in a Tent

One day, a pregnant Tibetan woman, by the name of Laji, travelled a long distance from Nagqu County to Gandan Temple to pay homage. After getting off the car, she experienced a severe stomach pain as a result of the bumpy ride. As there was no hospital in the vicinity, she and her mother, who accompanied her on the trip, were at a loss what to do. Wang Mingrong, a soldier on duty on the highway, discovered them and immediately reported it to his Company Commander Hui Cangliang. Hui hurriedly sent for two military doctors, Li Xianxiang and Chang Kaiquan, and took Laji to a nearby tent for emergency treatment. Shortly after she was carried to a tent nearby, a baby was born, and now both mother and baby are doing fine.

Hearing the news, soldiers sent tea, apples, and canned foods to Laji. The company also cooked a stewed chicken for the mother. Later, Company Commander Hui sent for a car to take the three down the mountain. Before leaving, Laji said with emotion: "We shall never forget you."

Spotlessly White Hada as a Token of Profound Feelings

On 28 September, a sweat-soaked soldier was treating patients with acupuncture at a medical service point on the left corner of the Jokhang Temple. An old Tibetan man holding a hada [a piece of silk used as a greeting gift among Tibetan nationalities] emerged. He bowed deeply to the soldier and presented him with the hada. The soldier was Zhong Xianliang, a deputy squad leader of a certain PLA unit, known to many of his friends as the "miracle-working doctor."

Zhong began to study acupuncture 5 years ago and has made a name for himself in his hometown. After joining the Army, he treated many of his comrades-in-arms. In the past several months, he has made use of his off-duty hours to practice medicine in Jokhang Temple Square and has treated 96 patients.

Basang, a Tibetan widower living in Jiri Lane, whose hands become numb and stiff from rheumatism, was unable to take care of himself. After learning this, Zhong visited the old man on his days off. After seven treatment sessions, the old man regained the use of his hands.

To express his appreciation for the PLA, the old man found him and presented him with the spotlessly white hada.

The Ancient City Is Even Prettier Today

In Wenhua Park, at the foot of the Potala Palace, there were two man-made lakes filled with waist-deep sludge after years of neglect. In late autumn, commanders and fighters of the 5th Company of the Martial Law Enforcement Troops, in spite of the cold water, entered it to scoop up sludge. Several foreign tourists who witnessed the scene said in admiration: Chinese soldiers are terrific. The people also said with emotion: Lei Fengs are back with us again. Now, the lake is as clean as a mirror, reflecting the images of the majestic Potala Palace and the people's smiling faces.

In the past, the Zongjialukang Market was littered with rotten vegetables and garbage and gave off a foul smell. One night, the market was thoroughly cleaned. It turned out that the Martial Law Enforcement Troops had sent 200 officers and soldiers and 2 trucks to clear up the garbage in the market.

In the past few days, 300 officers and fighters of the Martial Law Enforcement Troops could be seen cleaning up streets and ditches in Beijing East Road and Bargon Street. Seeing the clean streets, passers-by said in admiration: Since the imposition of martial law, Lhasa has become stable, clean, and tidy.

Yunnan Higher People's Court Holds Public Trials

HK3012024989 Kunming Yunnan Provincial Service
in Mandarin 1100 GMT 28 Dec 89

[Text] The Yunnan Provincial Higher People's Court has recently transformed its work style by publicly trying cases which need a second hearing. Such a change has been applauded by the whole society.

According to the law, the cases which need a second hearing can be tried either in public or in written form. In the past, the Yunnan Provincial Higher People's Court tried the majority of the cases which need a second hearing in written form.

The public trial of the cases which need a second hearing is conducive to the pronouncement of a fair court judgment, to the effective supervision of the judicial activities by the broad masses of the people and the whole society, and to the elimination of various malpractices in judicial activities.

This year, after overcoming such difficulties as lack of personnel and experiences, the Yunnan Provincial Higher People's Court has publicly tried a total of 21 criminal, civil, and economic cases and has thus achieved excellent social results.

In trying the case of appeal regarding a dispute among the co-operators of the Kunming Yingque Building, the Yunnan Provincial Higher People's Court first held a

symposium to listen to the divergent views of the people of all walks of life and finally passed a fair judgment on the case and achieved good social results.

Article Views Yunnan Industry, Communications

HK2912074189 Kunming YUNNAN RIBAO in Chinese
12 Dec 89 p 1

[Report by staff reporter: "Provincial Economic Commission Makes Public the Industrial and Communications Production Situation"]

[Text] Between January and November of this year, Yunnan Province fulfilled an accumulative total output value of 17,011.4 million yuan, which was an increase of 7.7 percent over the same period last year. The greatest difficulty for next year in organizing industrial and communications production will still be electricity and coal production. This is the province's production situation, made public by the provincial Economic Commission on 11 December.

Judging from the situation in the past 11 months, the tasks for the energy, raw materials, and aid-agriculture industries were better fulfilled. By the end of November, the province had generated an accumulative total of 10.27 billion kwh of electricity, an increase of 12.2 percent over the same period last year. Of this, 14 million kwh more electricity was produced in November than in October. The output of raw coal was 19.2893 million tons, an increase of 5.5 percent and a fulfillment of 96.4 percent of the annual plan. Some 97 percent of the steel, 95.6 percent of the pig iron, and 98.4 percent of the rolled steel production plans had been fulfilled by November. Production of 10 nonferrous metals was less satisfactory, but 89 percent of the annual plan was fulfilled. The production of cement and plate glass remained normal, but their storage was increased. Synthetic ammonia output reached 602,200 tons, which was an increase of 10.7 percent over the same period last year. Some 13,700 tons of agricultural plastic sheets were produced, which was an increase of 70.1 percent over the same period last year and a fulfillment of 97.8 percent of the annual plan. Of the 50 major industrial products, 29, or 58 percent, have fulfilled or overfulfilled the state's annual plan. Among the 17 prefectures and cities, the following have achieved an increase compared with the same period last year: Kunming, Dongchuan, Qujing, Yuxi, and Honghe. The comrades of the provincial Economic Commission said that although the growth rate of the past 11 months was a bit lower than that of the same period last year, the growth rate of economic returns was higher than that of output value. The situation is comparatively good.

Referring to existing problems, they agreed that it is especially necessary to economize on electricity. In November, electricity was over produced and consumed by tens of thousands kwh. Statistics show that electricity was also over produced and consumed during the first 8 days of December. If the situation continues to develop

in this way, there will be difficulties for industrial and agricultural production this spring. The comrades of the Economic Commission agreed that in order to ensure normal industrial production, the enterprises that have excessively consumed electric power should suspend production and service their equipment and machinery during this period. The electricity consumption policy for the first half of next year will be basically the same, that is, to ensure the production of aid-agriculture industries, large enterprises capable of creating big profits and taxes, products that meet the urgent needs of the people, and the raw materials industry. Production of high energy consumption products will continue to be reduced. At present, as the storage of coal and coking coal has dropped and the Spring Festival is approaching, the coal supply situation is also grim.

North Region

Beijing Party Committee Improves Workstyle

OW2212003789 Beijing XINHUA Domestic Service
in Chinese 1546 GMT 19 Dec 89

[By reporter Xia Junsheng (1115 0193 3932)]

[Text] Beijing, 19 Dec (XINHUA)—The Sixth Beijing Municipal CPC Committee held its eighth enlarged meeting on 18 December in Huairou County, about 50 kilometers from the city center. The difference was that this time the participants went to the meeting site by bus instead of in sedans.

Taking part in the meeting were members of the municipal party committee, the municipal advisory committee, the municipal discipline inspection committee, leading cadres of the municipal people's congress, the municipal people's government, and various districts, countries, and bureaus, totaling some 500 people. In the past, practice was for all participants to use sedans of their respective units, and there would be about 300 sedans altogether. However, this time, there were only about a dozen sedans. Most participants went to the meeting site by taking about a dozen buses.

In order to improve the style in conducting meetings, the Beijing Municipal Party Committee made a decision before the meeting that, with the exception of leading comrades of the municipal party committee, the municipal people's government, the municipal people's congress, the municipal CPPCC Committee, the municipal advisory committee, and the municipal discipline inspection committee and some veteran comrades who had difficulty in moving around, all other leading cadres would in groups take buses to go to the meeting site instead of using sedans of their respective units. Members of the standing committee of the municipal party committee, vice mayors of Beijing, vice chairmen of the municipal people's congress, and vice chairmen of the municipal CPPCC committee all went to the meeting site in buses, together with the comrades of various organizations. Yuan Liben, member of the standing

committee and secretary general of the municipal party committee, announced at the meeting that after the meeting all those who had come to the meeting site by bus would be sent back by bus. He told reporters that there were at least two advantages in making the change: One, gasoline is saved and expenditures are reduced. Two, meeting style and cadre workstyle are improved, fostering a good image in the minds of the masses.

There was another special feature at the meeting. Meals were provided strictly according to the standard set for meetings. Reporters saw that leading comrades, including Li Ximing, ate their meals at the same table with other participants and working staff members and took the same dishes and rice like others. The quantity of rice and dishes was also controlled. Those who wanted more food had to get refills by themselves. It was learned that Huanrou County had offered some subsidies for meals during the meeting but was turned down by the leading comrades of the municipal party committee.

At today's meeting, Comrade Li Ximing said: Leaders at various levels should set examples in hard struggle and living a plain life. The leading organs of the municipal party committee and the municipal people's government should take the lead in this. The meeting evidently made good start in taking this action.

Informers Assist Beijing Procuratorial Organs

OW2212192389 Beijing XINHUA in English
1219 GMT 22 Dec 89

[Text] Beijing, December 22 (XINHUA)—Informers helped procuratorial organs in Beijing to recover 17.37 million yuan (about 3.5 million U.S. dollars) for the state and some collectives between January and November this year.

Today's "BEIJING DAILY" says that in the first 11 months, the public security bureau arrested 398 people involved in graft and bribery. Of the 1,584 corruption cases handled, 45 percent were reported by city residents.

A book-keeper of a small car-repair company was found to have illegally appropriated 112,000 yuan (about 23,000 U.S. dollars) after being reported by others. Another man working as an adviser to a catering company dishonestly gained 395,000 yuan (about 79,000 U.S. dollars).

By November, 411,833 letters had been written to the procuratorial organs, 33 percent more than the number for the same period last year.

Liaoning Leader Hosts Overseas Chinese Delegates

SK0201041290 Shenyang Liaoning Provincial Service
in Mandarin 2300 GMT 31 Dec 89

[Text] On the morning of 31 December, Tan Shaowen, secretary of the municipal party committee, cordially

received the municipality's delegates who had just returned from the fourth national returned Overseas Chinese congress.

During the reception, he delivered a speech in which he, on behalf of the municipal party committee and the municipal people's government, extended festive greetings to the broad masses of returned Overseas Chinese and family members of Overseas Chinese throughout the municipality. He urged the municipal returned Overseas Chinese federation and the broad masses of returned Overseas Chinese and family members of Overseas Chinese to bring their strong points and characteristics into play and to make due contributions to stabilizing the city's situation as a whole, improving the economic environment, rectifying economic order, and deepening the reform drive.

During the reception, he also sponsored a forum with the delegates, in which the delegates to the fourth national returned Overseas Chinese congress described the congress' situation. The delegates of Liao Canhui, Li Feng, (Huang Qixing), Chen Ruyu, and (He Yueping) made speeches on describing their personal impression, in which they pledged, by doing practical deeds, to make efforts to promote the programs of improving the environment, rectifying order, and deepening the reform drive.

Tianjin Holds Discipline Inspection Plenary

SK2912053389 Tianjin City Service in Mandarin
1000 GMT 28 Dec

[Text] The fifth enlarged plenary session of the Discipline Inspection Commission of the Tianjin Municipal CPC Committee was held at the Tianjin Guesthouse on the morning of 28 December.

Liu Jinfeng, deputy secretary of the municipal party committee and secretary of the municipal Discipline Inspection Commission, chaired the session. Hou Xianping, deputy secretary of the municipal Discipline Inspection Commission, made a report at the session.

Hou Xianping summed up the work done in 1989. He said: Over the past year, discipline inspection commissions at various levels throughout the municipality have resolutely punished the corrupt, strictly enforced party discipline, conscientiously investigated and handled undisciplined cases within the party, deeply conducted education on party style and party discipline with the focus on opposing corruption and maintaining administrative honesty, and made proper contributions to stabilizing the situation in the municipality and promoting the construction of the two civilizations. As of the end of November, the municipality investigated and handled 791 undisciplined cases relating to party members that had been filed; and concluded 447 of them, accounting for 60.3 percent of the total. At the same time, the municipality handled 531 party members in violation of party discipline; and 171 of them were expelled from the party, 111 were placed on probation within the party, 11

were removed from the posts within the party, and 240 were given a disciplinary warning. After the issuance of the notice of the Supreme People's Court and the Supreme People's Procuratorate, discipline inspection commissions at various levels helped procuratorial organs investigate and handle a number of major and appalling cases. Over the past year, these commissions investigated and handled 334 cases of graft and bribery.

Plenary Concludes

*SK0201054590 Tianjin City Service in Mandarin
2300 GMT 30 Dec 89*

[Text] The fifth enlarged plenary session of the Tianjin Municipal CPC Discipline Inspection Commission was held from 28 to 30 December. Major purposes of the session were to study and implement the guidelines of the 5th plenary session of the 13th party Central Committee, the 5th plenary session of the Central Discipline Inspection Commission, and the 5th enlarged plenary session of the 5th municipal party committee to summarize this year's work and to arrange next year's work.

Liu Jinfeng, deputy secretary of the municipal party committee and secretary of the municipal Discipline Inspection Commission, presided over the session, and delivered an important speech. On behalf of the Standing Committee of the municipal Discipline Inspection Commission, Hou Xianping, deputy secretary of the municipal Discipline Inspection Commission, gave a work report.

The session noted: Under the leadership of party committees at various levels, discipline inspection organs throughout the municipality have adhered to the four cardinal principles, opposed bourgeois liberalization, strictly enforced party discipline, and conscientiously investigated and handled discipline breaches within the party over the past year, thus providing a guarantee through good discipline for the smooth progress of the endeavor of improvement, rectification, and deepening of reform. Particularly in the second half of this year, they have achieved initial successes in carrying out the eight regulations of the municipal party committee and government on punishing corruption and stepping up efforts to maintain honest performance of duty, and in conscientiously correcting the various dishonest phenomena, thus making due contributions to the stability and the two civilizations of our municipality.

On the tasks for next year's discipline inspection work, the session stated: In arranging next year's work, we should keep the following in mind. First, we should keep stability in mind. Serving the work to stabilize the overall situation is the starting point of discipline inspection work. Second, we should keep the strengthening of party discipline in mind. Discipline inspection organs should concentrate efforts on enforcing party discipline and strive to safeguard the centralism and unification of the party. Third, we should serve the effort to improve party style and carry out our work thoroughly and

persistently in line with the actual conditions in the endeavor of improvement, rectification, and deepening of reform.

The session decided on the specific arrangements for next year's discipline inspection work. First, we should reinforce party discipline, safeguard the centralism and unification of the party, and strengthen supervision over and examination of party organizations and leading cadres with party membership in their efforts to implement the decisions of the party Central Committee and the municipal party committee. Second, we should resolutely punish corruption and conscientiously investigate and handle discipline breaches within the party. Third, we should persistently assist party committees in improving party style and implementing the eight regulations so as to facilitate their endeavor to maintain honest performance of duty. Fourth, we should intensify education on discipline and enhance the party's combat strength to ensure its centralism and unification. Fifth, we should conscientiously improve the discipline inspection contingent in ideology, organization, and work style to upgrade its level in carrying out discipline inspection work.

Northeast Region

Sun Weiben Helps Clear Snow in Heilongjiang

SK0401021990 Harbin Heilongjiang Provincial Service in Mandarin 1000 GMT 3 Jan 90

[Text] On 3 January, Sun Weiben, Shao Qihui, Li Genshen, and Gong Benyan, principal leaders of the province and Harbin City, guided office workers in clearing away the accumulated snow on the streets.

The snowfall on the eve of New Year's Day made the streets in Harbin City become slippery and inconvenient for the pedestrians.

On 2 January, the Harbin City Government issued an emergency mobilization order, calling on all people of the city to join the 4-day campaign of thoroughly clearing away the snow accumulated on the streets.

On 3 January, more than 60,000 people in Harbin City joined the campaign.

Heilongjiang Reports Improved Grain Harvest

SK0101234890 Harbin Heilongjiang Provincial Service in Mandarin 2200 GMT 31 Dec 89

[Summary] According to a report in the province's NONGCUN BAO, in spite of the serious natural disasters in 1989, Heilongjiang Province has reaped a better grain harvest this year. The province's total output of grains, soybean, and cereal reached 16.69 billion kg. The average per-mu-yield reached 153 kg which is the fifth annual high yield in the province.

Jilin's He Zhukang on 'Relation Network'

HK0401130290 Beijing RENMIN RIBAO in Chinese
29 Dec 89 p 1

[“Today’s Talk” by Li Demin (2621 1795 3046): “I Am the Son of a Tenant-Peasant”]

[Text] During an interview with Jilin CPC Committee Secretary Comrade He Zhukang, the reporter asked him a private question: “Are you the son of He Changgong?” He smiled and said: “No, I am not the son of ‘Changgong.’ I am the son of a tenant-peasant.”

The reporter asked this question because during the turmoil, some people had created a “relation network” saying who is whom’s son, and who is whom’s son-in-law, including many leading cadres in the network; the ones with the same surname are father and son, the ones with different surnames are father-in-law and son-in-law. Because He Zhukang is named He, he was put into a relationship with He Changgong, the revolutionary of the older generation. Talking about “relations,” He Zhukang said: Most of them are created, for example, between old He and me. First, we are from different native places; I am from Jiangsu’s Qidong County, and he is from Hunan’s Huarong County; my father was a tenant-peasant before the liberation, and a production team leader after it; I am not linked to Comrade He Changgong in any way. He said again, that to be able to serve as a leading cadre, you are judged on whether you are fit for the job, not on whether you are a son or a relative of someone. He Zhukang told this reporter: In the Jilin CPC Provincial Committee, no one is the son or daughter of the leading cadres.

During the period of turmoil and counterrevolutionary rebellion, there were numerous rumors of this kind, which were truly absurd. The Chinese People’s Liberation Army Chief of Staff Chi Haotian recently said to a reporter that someone disclosed that he was the son-in-law of a certain state leader, but that was truly absurd. He also said that in the General Department of Staff, there were three chiefs of staff or deputy chiefs of staff who were allegedly linked to state leaders for some unknown reason. A deputy chief of staff also became the son of He Changgong, simply because his surname was He.

This kind of rumormongering is truly mean. Indeed, rumors can confuse people for a while, and in the period of turmoil and counterrevolutionary rebellion, this kind of rumor was very efficacious in cheating and instigating people. But a rumor is a rumor; once it is revealed, it can only announce the low charter of the person who creates it, as well as the mean method adopted by that person. Regrettably, some overseas newspapers are also creating and spreading these rumors. Can this be what they boast as “freedom of the press?”

Northwest Region

Gansu Leaders Address Planning Conference

HK0201020890 Lanzhou Gansu Provincial Service
in Mandarin 1030 GMT 29 Dec 89

[Text] The 5-day provincial planning conference closed in Lanzhou this afternoon. Vice Governor Zhang Wule presided over this afternoon’s session, and Governor Jia Zhijie delivered a concluding speech.

Governor Jia Zhijie said: During this conference, the participants have planned out next year’s work, with the interests of the whole taken into consideration and in accordance with the principle that requires the province to lead a thrifty life for several years. The comrades present at the conference have put forth many good suggestions, enhanced their understanding, and reached a consensus.

Jia Zhijie said: In order to carry out economic tasks well next year, we must do a good job in the following aspects: 1) We must fully implement the spirit of the 5th Plenary Session of the 13th CPC Central Committee, so as to approach the overall goal of economic improvement and rectification. 2) We must seek progress while ensuring steady growth, invigorate the economy while implementing the deflation policy, act according to our capability, do our best, make every effort to improve the economic results, maintain a moderate growth rate, and fulfill the Seventh 5-Year Plan in an all-round way. 3) We must take the whole situation into account, plan accordingly, make careful calculations and strictly budget, and make up our minds to lead a thrifty life. 4) We must keep the policies stable, maintain normal operation of enterprises, stabilize the market, and seek social stability by maintaining economic stability.

In his concluding speech Governor Jia Zhijie also presented some specific opinions on a series of issues, such as the economic improvement and rectification operation and in-depth reform, the necessity of further invigorating microeconomic activities and strengthening macroeconomic regulation, the need of stabilizing agriculture and the whole situation, the development of basic industries and other industries, the necessity of keeping the public ownership system as the key link, and the development of various economic sectors.

Provincial party committee Secretary Li Ziqi delivered a speech during the conference. He emphasized four issues: 1) It is necessary to firmly uphold the guiding ideology of one basic point, namely, it is necessary to ensure a sustained, steady, and harmonious economic development. 2) It is necessary to steadfastly strive for one goal, namely, it is necessary to further the economic improvement and rectification operation and to carry out the reform in depth. 3) It is necessary to take the whole situation into account, namely, it is necessary to maintain political and social stability. 4) It is necessary to give full play to the role of one core, namely, it is necessary to constantly improve the party’s leadership.

The major economic targets for 1990 preliminarily set by this planning conference are: to raise the province's gross value of social products to 50.2 billion yuan, an increase of 7.8 percent over this year's expected figure, which is 45.4 billion yuan; to fulfill a national income of 21.6 billion yuan, an increase of 8.3 percent over this year's expected figure, which is 19.5 billion yuan; to fulfill a gross industrial and agricultural output value of 24,192 million yuan, an increase of 6.5 percent over this year's expected figure, which is 22.7 billion yuan; and to fulfill a financial income quota of 3.27 billion yuan, an increase of 9 percent over this year's expected figure, which is 3 billion yuan. After conscientious analysis and study, the comrades participating in the conference agreed that it would be possible to fulfill all these quotas.

During the conference, commissioners from all prefectures, autonomous prefectures, and cities, mayors, autonomous prefectural heads, and the responsible comrades of all the provincial departments concerned also discussed some other issues, such as market supply, grain production, use of funds for agriculture, and the development of cotton production bases. And the provincial government also awarded prizes to 40 enterprises which had fulfilled their quotas for the year 1988 according to the contracts signed.

Qinghai-Tibet Plateau Troops Mark Anniversary

HK2712140789 Xining Qinghai Provincial Service
in Mandarin 2300 GMT 25 Dec 89

[Excerpts] The military depot located in the Qinghai-Tibet Plateau under the PLA General Logistic Department held a meeting in Xining on the afternoon of 24 December to mark the 35th anniversary of its units discharging their guard duty in the Qinghai-Tibet Plateau. [passage omitted]

In the name of the Qinghai Provincial Party Committee and people's government, provincial party committee Secretary Yin Kesheng delivered a speech at the meeting. He paid high tribute to the sacrificial spirit and intensive pioneering effort of officers and men. He added: The support given by officers and men of the military depot to Qinghai's economic construction is engraved in the hearts of the people of all nationalities of the province and the people of Qinghai are willing forever to be a reliable backing of the people's own army.

Hou Jie, a member of the Tibet Autonomous Regional Advisory Commission Standing Committee, and Ding Zhaoqian, deputy commander of the Tibet Military District, also spoke at the meeting. [passage omitted] Attending the meeting were Acting Governor Jin Jipeng of Qinghai Province; Lu Baoyun, political commissar of the Qinghai Military District; leaders of PLA units stationed in Qinghai; and the people's armed police corps and leaders of the relevant departments of Tibet and Qinghai Provinces.

Shaanxi Commentary Urges Better Ideological Work

HK0201092190 Xian Shaanxi Provincial Service
in Mandarin 0030 GMT 29 Dec 89

[Station commentary: "Seriously Learn Lessons, Truly Beef Up Propaganda and Ideological Work"]

[Text] At a recent provincial meeting commending propaganda work, many participants pointed out in discussions that in a sense, the turmoil and riots that broke out at the turn of spring and summer this year inflicted a punishment upon us and taught us a lesson because we had seriously weakened propaganda and ideological work for a long time. On the other hand, the bitter lessons drawn from the turmoil and riots has brought about a favorable turn in our effort to beef up propaganda and ideological work. Their remarks are absolutely right.

Propaganda and ideological work remain a very important area in the work of our party. If we failed to understand the issue well, then we should now be clear-headed after we learned lessons from the turmoil and riots. We still remember that people's minds were very confused before the turmoil and riots as a result of weakened ideological work and incorrect guidance of public opinion. For example, in a certain period of time, the ethical standard of doing everything for others' benefit and nothing for one's own, the noble character of making sacrifice and working selflessly, the fine tradition of practicing thrift and waging arduous struggles and hard work, and the patriotic spirit of maintaining independence and keeping the initiative in one's own hands and relying on our own efforts were all played down and mocked at by certain people as outdated ideas. And, on the contrary, the folk prescription of advertising money as being everything and benefiting oneself at the expense of others, the decadent ways of forgetting all moral principles at the sight of profits and spending money like water, the servile ideas of worshiping and having blind faith in things foreign and advocating wholesale westernization were gaining ground in society. Through the uncovering work and through conducting education in adherence to the four cardinal principles and opposition to bourgeois liberalization after the crackdown on the turmoil and riots, party committees at different levels have, at large, strengthened their work on the propaganda and ideological front while examining their previous work in a thorough and clear-headed manner. Because of this, a considerable change has come in the mental outlook of cadres and the masses. Facing such a mighty change, all those who ignored propaganda and ideological work, and in particularly leading cadres, should learn a lesson from this change. The year 1990 will be the crucial one for improving the economic environment and deepening the reform as well as for [words indistinct] We should seize the favorable opportunity to bring propaganda and ideological work into full play in the coming year. At present the tasks on the

propaganda and ideological front are very arduous. Continuous efforts must be made to give widespread publicity to the spirit of the 4th and 5th Plenary Session of the 13th CPC Central Committee, energetically beef up ideological and political work around the task of improving the economic environment and deepening the reform, and conduct in-depth education in the fight against bourgeois liberalization. This should be done so as to wipe out all influence of bourgeois liberalization from the political, ideological, and theoretical spheres as well as from all fields of practical work. We should conduct education on the international situation and our foreign policy. It is necessary to make a correct analysis of the strength between the enemy and ourselves in an effort to estimate correctly our own strength as well as that of the enemy. It is also necessary to do the following: expose infiltration, subversion, and peaceful evolution of the international hostile forces in our country and their varied schemes; vigorously publicize the erosive influence and poisoning of the six vices on the people; and intensify education in the Yanan spirit so that the spirit of building up the country through thrift and hard work and the idea of living a thrifty life for several years will prevail among the people. Meanwhile, it is necessary to vigorously make the press and publication, literature and arts, and the theoretical and academic research prosperous while straightening out the propaganda, public opinion, and cultural fronts, and we must earnestly organize cadres and party members to study philosophic works of Marxism so as to raise their political and ideological levels.

The new situation and tasks have set higher demands on us. Under the leadership of the CPC Central Committee and under the unified guidance of the provincial party committee and government, leading comrades and propaganda cadres at different levels should continue to maintain and carry on the spirit of waging arduous struggles, the spirit of making intensive pioneering effort, scientific spirit, and the spirit of [words indistinct] to push propaganda and ideological work to a new level and achieve new successes in the coming new year.

Xinjiang Meeting on Nationality Solidarity

HK2812015989 Urumqi Xinjiang Regional Service
in Mandarin 1230 GMT 25 Dec 89

[Text] This morning, at the 5th regional meeting to commend advanced units and individuals in promoting nationality solidarity and progress held in Hotan prefecture, Wang Enmao, vice chairman of the CPPCC National Committee, and chairman of Regional Advisory Commission, made an important speech. He said: Now various localities in the autonomous region are relaying, studying, and implementing the spirit of the 5th Plenary Session of the 13th CPC Central Committee. They are concentrating their efforts on carrying out economic improvement and rectification, deepening the reform, and solving difficulties and problems arising in economic construction in an attempt to achieve a sustained and coordinated economic development in the

region. This has required a political situation characterized by stability and unity. In multi-national regions, to achieve a political situation of stability and unity, the key lies in strengthening nationality solidarity. To do well in promoting nationality solidarity to safeguard the unity of the motherland, we must strengthen our work in the following ten aspects:

1. Under the leadership of the CPC, people from various nationalities throughout the country must firmly and unwaveringly take the socialist road.
2. Safeguarding our national unity and nationality solidarity is an important task of building socialist spiritual civilization, and a common duty of the people from various nationalities.
3. We must implement the basic guiding principle aimed at safeguarding our national unity and nationality solidarity, and we must persist in equality among various nationalities, ensure their common prosperity, and pursue various policies for minority nationalities.
4. We must develop socialist nationality relations characterized by equality, unity, and mutual help.
5. We must extensively provide education in Marxist concepts on nationalities, nationality policy, and nationality solidarity.
6. The Han nationality is inseparable from minority nationalities, and vice versa. Various nationalities need and are inseparable from each other, and must unite as one. All this must be regarded as a norm governing the conduct of the people from various nationalities.
7. People from various nationalities must trust, respect, support, and learn from, and understand each other.
8. Everybody must develop the idea of promoting nationality solidarity. They must understand the party policy for nationalities, promote nationality solidarity, and do good things for nationality solidarity.
9. We must strengthen nationality solidarity and economic development. We must make efforts to develop economy to promote nationality solidarity.
10. We must constantly praise good people and good deeds beneficial to promoting nationality solidarity. When we encounter bad people and bad deeds undermining nationality solidarity, we must attack them like rats running across the street and being chased by all passers-by.

Xinjiang Leaders Attend New Year Soiree

HK0101114690 Urumqi Xinjiang Regional Service
in Mandarin 1230 GMT 31 Dec 89

[Excerpts] Yesterday evening, more than 20,000 young people of all nationalities, armed police force officers and fighters, and family members of servicemen and martyrs in Urumqi happily gathered together to celebrate the 1990 New Year's Day.

Wang Enmao, vice chairman of the Chinese People's Political Consultative Conference National Committee and chairman of the regional advisory commission; Song Hanliang, secretary of the regional party committee; Tomur Dawamat, chairman of the regional government;

and other leading comrades, including Janabil, Li Shoushan, Zhang Sixue, Ba Dai, Tang Guangcai, Liang Guoying, and Xinjiang Military District Commander Gao Huanchang, attended the New Year soiree at the People's Opera House, together with local residents of all nationalities. [Passage omitted]

Also present at the soiree yesterday evening were regional party, government, and army leaders Tuershun Atawula, Li Jiayu, Xiaer Xibieke Sidike, Ma Mingliang, Abudureyimu Litifu, [name indistinct], and Han Youwen. Urumqi Mayor Yusufu Aisha also attended the soiree.

Three Taiwan 'Spies' Receive Prison Sentences

*OW0401144890 Beijing XINHUA in English
1431 GMT 4 Jan 90*

[Text] Beijing, January 4 (XINHUA)—Three Taiwan Kuomintang agents were sentenced to terms of six and 15 years in prison respectively today by the Beijing Intermediate People's Court for their involvement in the turmoil and anti-government riots during the April-June period last year in the Chinese capital.

Liang Qiang, who was sent here by the Taiwan Kuomintang secret service "Guiding Group for Work on the Mainland" in November 1986, was accused spying and inciting anti-government activities. He was sentenced to 15 years in prison and deprived of political rights for three years.

Wang Changhong, who was sent to Beijing by the Kuomintang secret service late last April, was found guilty of spying and sentenced to 15 years in prison and deprived of political rights for three years.

Qian Rongmian, who joined the Kuomintang secret service during the riots, was also found guilty of spying and sentenced to six years in prison and deprived of political rights for one year.

Beijing TV Report

*OW0401160790 Beijing Television Service
in Mandarin 1100 GMT 4 Jan 90*

[From the "National News Hookup" program]

[Text] [Video begins with court scenes in which three alleged Taiwan spies, appearing in different sequences, are shown standing and listening while verdict is announced] The Beijing Intermediate People's Court recently handed down first instance rulings regarding a case of espionage involving criminals sent by the secret service of the Kuomintang in Taiwan. These criminals were instructed to gather intelligence, to spread counter-revolutionary propaganda, and to engage in demagoguery during the Beijing turmoil.

Secret agent Liang Qiang, convicted of multiple charges of espionage and counterrevolutionary demagoguery and propaganda, was sentenced to 15 years in prison and was deprived of political rights for 3 years. Wang Changhong was found guilty of espionage and was sentenced to 15 years in prison and deprived of his political rights for 3 years. Qian Rongmian also was found guilty of espionage and was sentenced to 6 years in prison and deprived of his political rights for 1 year.

[Video shows some photos and videotaped footage of the three "spies" respectively. The videotaped footage shows the three on different occasions during the Beijing turmoil] In October 1986, while he was abroad, Liang Qiang attended the secret service organization of the Kuomintang's Mainland Work Committee in Taiwan and was appointed special central delegate. He then

accepted an assignment from the enemy secret service to slip into Beijing in November of the same year. During April and May 1989, when the Beijing turmoil took place, Liang went to various places to gather intelligence, which he secretly passed on to the Kuomintang's espionage agency. He also wrote several reactionary articles and sent them to some illegal organizations in an attempt to incite the masses and the students to continue their fight against the government to the end. Wang Changhong joined the secret service under the Kuomintang's Mainland Work Committee in Taiwan when he was abroad in January 1989. He slipped back into Beijing on 27 April of the same year to carry out his special mission. During the turmoil, he recruited Qian Rongmian into the espionage ring and assigned him such tasks as collecting and providing intelligence. Wang Changhong secretly informed the espionage agency of the Kuomintang on Taiwan many times on the intelligence gathered on the Beijing turmoil. After joining the secret service, Qian Rongmian also took part in the espionage intelligence-gathering activities.

The Beijing City Intermediate Court thus reached the above verdicts in order to consolidate the regime of people's democratic dictatorship and the socialist system, to defend national security, and to deal a serious blow to sabotage and espionage activities.

'Spies' Profiled

*HK0401135090 Beijing ZHONGGUO XINWEN SHE
in Chinese 1251 GMT 4 Jan 90*

[Text] Beijing, 4 Jan (ZHONGGUO XINWEN SHE)—Recently, the Beijing Intermediate Justice Court passed sentences on three criminals in their first trials, who had been sent by Taiwan's Kuomintang (KMT) spy agency, to conduct activities in information-collecting and counterrevolutionary propaganda, and instigation during the recent turmoil in Beijing.

Liang Qiang [2733 1730], a spy, was sentenced to 15-years imprisonment, with political rights deprived of for 3 years on several charges, including information-collecting, and counterrevolutionary propaganda and instigation.

For spying, Wang Changhong [3769 7022 3163], and Qian Rongmian [6929 2837 0517] were sentenced to 15-years imprisonment, with political rights deprived of for 3 years, and 6-years imprisonment, with political rights deprived of for 1 year, respectively.

Liang Qian was recruited abroad by a Taiwan KMT spy organ, the Mainland Work Association, in October 1986, and became a specially appointed central agent; then he sneaked back to Beijing on a mission in November the same year. During the recent Beijing turmoil between April and May 1989, Liang began to collect information everywhere, which he secretly reported to the KMT spy organ, while he wrote several reactionary articles for

illegitimate organizations in Beijing to instigate the masses and students to fight against the government through to the end.

Wang Changhong was recruited abroad by a Taiwan KMT spy organ, the Mainland Work Association, in January 1989, then he sneaked back to Beijing on a mission on 27 April the same year. During the turmoil, he cultivated Qiang Rongmian and recruited the latter into the spy organ, and made arrangements for the latter to collect, and to provide him with information. On several occasions, Wang Changhong secretly reported the information he had collected to the Taiwan spy organ during the recent Beijing turmoil, while Qian Rongmian was also engaged in such spying activities as information-collecting in the wake of his recruitment to the spy organ.

Taiwan Urged Not To Hide Navigation Markers

OW3012011289 Beijing XINHUA Domestic Service
in Chinese 1325 GMT 27 Dec 89

[By correspondent Li Liuquan (2621 3177 3123)]

[Text] Fuzhou, 27 Dec (XINHUA)—At a recent forum, experts and scholars of the Committee on Navigation Marks under the Chinese Navigation Society, who were attending a beacon-lighting ceremony at Zhenhaijiao, Xiamen, unanimously called on the Taiwan authorities to stop as early as possible the practice of hiding navigation markers from mainland ships so as to ensure

unimpeded navigation across Taiwan Haixia in the interest of the people on both sides of the Strait.

The experts and scholars pointed out: For a long time, the navigation markers installed by the Taiwan authorities on Baiquan, Wuqiu, Beiding, and Dongding Islands in Taiwan Haixia and other places have been hidden from mainland ships, and they have never opened their radio navigational system to the mainland. This is quite out of line with the increasingly relaxed situation across the Strait and inconveniences the shipping operations of mainlanders. In contrast with this, the mainland's Navigation Mark Administrative Department opened the Niushan Beacon in Pingtan, Fujian, as early as October 1987 to facilitate navigation between Taiwan and Mazu. Later, a lighthouse on Xiongdi Yu outside Dongshan Gang and the Zhenhaijiao Beacon outside Xiamen Gang were set up in 1988 and 1989, respectively, to meet the growing shipping demands across the Strait. In view of the above, the experts and scholars urged the Taiwan authorities to stop hiding navigation markers and to open their radio navigation system to the mainland as soon as possible to facilitate the shipping operations of the people on both sides of the strait, especially those on the mainland, and to ensure unimpeded passage through the "golden sea-lane" across the Strait.

The mainland experts and scholars specializing in navigation markers also said at the forum that they hope to exchange information with Taiwan's Navigation Mark Administrative Department and to discuss and work with the latter toward the establishment of a radio navigation system and a navigation marker system for Taiwan Haixia to ensure the safety of navigation there.

Commentary Notes PRC 'Fear' Due to Romania

*OW3012230489 Taipei International Service
in English 0200 GMT 30 Dec 89*

[Commentary by (Chris Lai): "Peking Defiantly Tightens Control"]

[Text] In the wake of the sudden fall of Romanian dictator Nicolae Ceausescu, the Chinese Communist regime in Peking is recoiling with fear. Commentary for the Voice of Free China, this is (Chris Lai).

That fear is being translated into tighter security and stricter controls on students. Thus far, all signs are that the Communist regime in Peking has learned nothing from Romania's fate, and is consolidating its hardline stance for the long run.

This is evidenced by several news items from Peking on Thursday. In one report, the hardline Communist premier, Li Peng, was quoted as saying that the use of force that led to the Tienanmen massacre of civilian protesters in June was justified. Li said it was the prerogative of the Communist Party to safeguard its leadership, and that the massacre was, quote, correct. Obviously, he showed no remorse at all, despite mounting international pressure on his regime.

A second item covered the tightening of controls on media and students, in reaction to the events in Romania. At universities in Peking, which were hotbeds of protest in the spring, security personnel were dispatched to accompany groups of students leaving the campuses, no matter how large or small the groups.

Meanwhile, armed soldiers took up positions at TV and radio stations. The extra security precautions are in response to the Romanian situation. There, rebels took control of the national TV station and were thus able to manipulate the rebellion through the powerful medium of television. This is one thing Peking has apparently learned from the Romanian example.

A third news item suggests that Peking is moving quickly to increase its security controls in the remote Himalayan region of Tibet. In recent years, a movement for autonomy has periodically rose up to challenge Chinese Communist rule in Tibet. Peking fears that the news of the collapse of communism in Romania may spark more demonstrations in Tibet.

In a commentary on the aftermath of Ceausescu's fall, the REUTERS NEWS AGENCY said that it is now unlikely that Peking will lift the martial law instituted in June. That is the bad piece of news for the pro-democracy movement in Communist China. While supporters of the movement have openly rejoiced at the collapse of communism in Romania, they also realize it means the Chinese Communist regime will crack down ever harder and tighten martial law controls.

At Peking University, Yuan Mu, the chief spokesman for the Chinese communist regime, tried to garner support

for the regime's policies among students. But his efforts backfired when students began hissing. The ASSOCIATED PRESS reported that the students showed open defiance, not seen since before the pro-democracy movement was brutally crushed in Tienanmen Square on June Fourth.

Posters began appearing again on campus, calling on students to learn from Romania. Yuan was faced with a barrage of questions on sensitive topics, including the whereabouts of former premier Chao Tzu-yang, who was purged in June.

Yuan no doubt got the message, as have other Chinese Communist leaders, that the Romanian events have indeed sparked a new round of activist sentiment in Communist China. As 1989 draws to a close, Peking finds itself ever deeper in a corner.

GATT Application Uses Customs Territory Name

*OW0401165590 Taipei CNA in English
1535 GMT 4 Jan 90*

[Text] Taipei, Jan. 4 (CNA)—The Republic of China [ROC] Government has applied to join the General Agreement on Tariffs and Trade (GATT) in the name of "Taiwan, Penghu, Kinmen and Matsu Customs Territory," it was learned Thursday.

Vice Economics Minister Wang Chien-shien said that by using the customs territory name, the application would meet with fewer "unnecessary disturbances."

He declined to reveal further details about the government move, except that he was "cautiously optimistic" about its success.

As the world's 13th largest trading country, the ROC's economic liberalization is far ahead of many contracting parties to GATT, Wang said.

The ROC Government has repeatedly made it known that it was ready to follow all GATT rules, and it hoped that GATT members would support ROC membership.

Application to become a GATT contracting party must first win the approval of the GATT Board of Directors. Then the application must present a memorandum outlining its foreign trade policies and negotiate with interested contracting parties. Following this, the approval of two thirds of all contracting parties is required to become a new contracting party.

Ranking economics official estimated that if things go well, the ROC can become a contracting party to GATT in the first half of this year, but it might also take two or three years.

Vice Minister Wang said the biggest obstacle to the ROC's application to become a GATT contracting party is Communist China. "In terms of economic and trade matters, the ROC application is almost flawless."

Meanwhile, ROC economics officials pointed out that the June 4 Tienanmen massacre has greatly hindered Peking's own application to join GATT.

Many GATT contracting parties stopped or suspended negotiations with Communist China following the Tienanmen tragedy, thus slowing Peking's attempt to become a contracting party before Taipei.

Government analysts said an official position on GATT would help the country achieve its goals of economic liberalization and internationalization.

On the other hand, they pointed out, not being a GATT member has several disadvantages for the country:

- The ROC cannot automatically enjoy tariff concessions and other reciprocally beneficial treatments as dictated under GATT's most-favored-nation principle.
- The ROC cannot enter into multilateral or bilateral negotiations with the world's major trading countries because of the absence of diplomatic ties between the ROC and most GATT contracting parties.
- The ROC cannot use GATT forums to solve its trade disputes with other countries.
- The ROC cannot gain comprehensive trade and economic information about other countries which is made available to GATT members.

Defense Minister Discusses Arms Purchase

*OW3012103689 Taipei International Service
in English 0200 GMT 24 Dec 89*

[Text] National Defense Minister General Hao Po-Tsun stated on Saturday [23 December] that as to the weapons which the ROC Armed Forces will use in the future, as long as the nation can purchase weapons it desires abroad, there is no need to produce them at home. However, the quality of certain domestically and foreign-made weapons is roughly the same, the Defense Ministry will still give first priority to locally-produced arms. Hao made the remarks at the Legislative Yuan, explaining his ministry's planned purchases of arms in 1990.

Ministry Declines Comment on French Frigate Deal

*OW0401164190 Taipei CNA in English
1559 GMT 4 Jan 90*

[Text] Taipei, Jan. 4 (CNA)—The Republic of China's Defense Ministry declined Thursday to comment on reports that France had authorized the sale of six naval frigates to the nation.

Foreign Minister Lien Chan said his ministry had been informed of the plan to buy French frigates, but he would not go into further detail.

At a Legislative Yuan Defense Committee meeting earlier in the day Legislator Chang Shih-liang asked Defense Minister Hao Pei-tsun about the navy vessel purchase, but Hao declined to reply on grounds of "defense confidentiality."

An AGENCE FRANCE-PRESSE report from Paris Wednesday said that France had authorized the sale of six FL-3000 frigates to the ROC and more could be sold at a later date.

The report stresses that the sale concerned only hulls and superstructures and that no weapons systems were involved.

Military sources said the ROC Government had also decided to buy South Korea-built "Perry class" frigates, and purchases of itsm "Ulsan class" frigates are still being considered.

These foreign-built frigates will be equipped with ROC weapons systems, according to the sources.

Official Says Satellite for 'Peaceful' Purposes

*OW0401175790 Taipei CNA in English
1557 GMT 4 Jan 90*

[Text] Taipei, Jan. 4 (CNA)—The Republic of China's program to develop satellites is purely for research and peaceful purposes, a ranking National Science Council (NSC) official reiterated Thursday.

NSC Vice Chairman Teng Chi-fu noted that the satellite development program is fully open and after its completion, international academic research institutes will be welcome to share in its equipment and experiments in order to benefit all humankind.

Teng was comr :nting on an October 1989 request for clarification b : American Institute in Taiwan. "From the very beginning, the military-affiliated Chung Shan Institute of Science and Technology had not participated in the program," Teng said.

The ROC may use United States satellite technology but it would be a commercial arrangement and has nothing to do with the military, Teng noted.

He added that the nation plans to develop satellites hoping that it will help upgrade domestic hi-tech industries including mechanical and electric engineering, chemicals, materials, information and aviation.

Hong Kong

Local XINHUA Official Commits Suicide

HK0501040690 Hong Kong MING PAO in Chinese
5 Jan 89 p 2

[“Special dispatch”: “Tsai Kuo-hsi, Deputy Chief of the Research Office of XINHUA News Agency Who Took Part in Drafting the Joint Declaration, Commits Suicide”]

[Text] Tsai Kuo-hsi, deputy chief of the Research Office of the Hong Kong branch of XINHUA news agency, was found hanged in his home yesterday, 2 days after the return from Beijing on 2 January of XINHUA Hong Kong branch director Xu Jiatun.

Xu Jiatun went to Beijing to attend an important meeting about 10 days ago, after the drastic changes in Romania. He returned to Hong Kong last Tuesday.

It is said that the Beijing authorities, who had drawn a “lesson” from the downfall and execution of former Romanian leader Ceausescu, made up their minds to step up the operation to purge “dissidents.” With Xu Jiatun returned to Hong Kong only 3 days ago, it is still too early to judge whether he has been instructed to carry out the same operation after his return from Beijing.

The 55-year-old Tsai Kuo-hsi graduated from the left-wing Mongkok Middle School for Workers’ Children in the 1950’s. His wife works for a China-funded bank and his son is a student.

After his graduation, Tsai first worked with the editorial department of XINHUA NEWS AGENCY and was then transferred to the Research Office. During the Sino-British negotiations he was assigned to take part in the drafting of the Sino-British Joint Declaration. In the mid-1980’s, he was promoted from the post of research fellow to the important position of deputy chief of the Research Office.

About a year ago, following XINHUA Deputy Director Mao Chun-nien, Tsai was sent to China to take up a 1-year course at a party school. But he returned later without completing the course. It is said that he may have suffered from the self-isolation syndrome because of frustrations in his career, and he has not reported for duty at the XINHUA Hong Kong branch for months.

Tsai lived with his wife and son in a flat in block 23, Heng Fa Tsuen Estate, Chai Wan. When a domestic helper called Li arrived at Tsai’s home at 11 am yesterday, she found Tsai hanging by a nylon rope. Police conducting investigations at the scene found two wills left by Tsai, but a spokesman for the police refused to disclose the content of the wills.

Further Reportage on Reactions to Passport Offer

Government Welcomes Package

HK2112035789 Hong Kong SOUTH CHINA MORNING POST in English 21 Dec 89 p 1

[Text] The Hong Kong Government welcomed the British offer, saying it would bring to an end a prolonged period of uncertainty and speculation in the community.

A Government spokesman said: We believe that it will help to reestablish confidence and stability. The fact that full passports are being offered rather than certificates of entry is an important point because it provides great certainty and increases the likelihood that recipients will stay in Hong Kong.

“At the moment many people feel compelled to uproot themselves and their families simply in order to satisfy residence requirements in Canada, Australia and the United States. A very substantial number of them will not have to leave Hong Kong to secure the insurance which a passport provides.”

He said the scheme should not be dismissed as elitist as it would benefit a wide range of Hong Kong residents including not only professionals but also nurses, policemen, firemen, computer operators and others with technical skills.

“It aims to help people in both the public and private sectors who are important to the efficient working of the territory, and who currently are most vulnerable to emigration,” he said.

“It should not be seen as elitist. Nor is it aimed solely at the wealthy or the senior ranks of the civil service.”

Speaking on RTHK, the Governor, Sir David Wilson, the scheme was a “psychological boost” and meant a significant number of people, who would have left Hong Kong, would stay in Hong Kong with assurances of their future. [sentence as published]

But Mr K. Sital, chairman of the Council of Hong Kong Indian Association, said he was greatly disappointed. He demanded that the ethnic minorities be offered a separate scheme.

“Politics have taken precedence over justice. We have a proper case. We have been striving for four years and will not give up just like this. We have a terrible problem,” he said.

Mr Sital said he might go to London again to garner public British support before legislation for the scheme is finalised.

Legislators Demand More Passports

HK2112034789 Hong Kong SOUTH CHINA MORNING POST in English 21 Dec 89 p 7

[By Andy Ho, Fanny Wong and Daphne Cheng]

[Text] Executive and Legislative Councillors said last night Britain's passport offer fell short of their demand and pledged to continue the fight for a better deal.

Mrs Rosanna Tam Wong Yick-ming, who heads the Omelco [Office of Members of the Executive and Legislative Councils] task force on nationality, said an inadequate package ran the risk of splitting the community.

The councillors said they would continue pressing for the restoration of full British citizenship for all 3.25 million subjects in Hong Kong.

"We hope the relevant legislation and executive measures will be put into practice as soon as possible," she said, adding that they would monitor closely the implementation of the scheme.

"It is evident that several important points that Omelco has been pressing in the past few months had been accepted," she said.

"First, the principle had been accepted that Hong Kong is Britain's responsibility. Second, Britain recognised the need to take measures to restore local confidence and the most effective way to encourage people to stay is to provide full British passports," she said.

Most concern groups condemned the 225,000 ceiling as too low to be effective.

Chairman of the Police Inspectors Association, Mr Li Shu-fung, said the scheme was not encouraging at all as it was only an expansion of a section of the British Nationality Act.

"To me there's no assurance at all," said Mr Li, adding that he was worried that the package might not be endorsed by Parliament.

Senior Non-Expatriates Association spokesman, Mr Albert Lam, also described the figure as too low, but he welcomed the package as a first step in the right direction on the part of Britain.

The Hong Kong People Saving Hong Kong Campaign said the figure was so small that it could hardly solve the territory's confidence crisis.

Campaign leader, Reverend Lo Lung-kwong, called the scheme divisive. He urged the British Government to take the initiative in lobbying other countries to offer right of abode to all Hong Kong people.

A London-based concern group, the Hong Kong Link, denounced the limited package as "discriminatory in principle, offensive to human dignity, unworkable in practice and bitterly divisive in effect".

It warned that a failure to grant full citizenship to British subjects in Hong Kong would increase social and political tension in the runup to 1997.

The group reaffirmed that British subjects in Hong Kong have a constitutional right to full British nationality.

British Citizens for Hong Kong, a group of British passport holders based in Hong Kong, expressed grave concerns over the nationality package and said they would be sending a letter to all MPs today setting out their fears.

"Giving passports to a tiny minority of 'key' Hong Kong people, as envisaged in the nationality package, will have no effect in stemming the out-flow and is likely even to be ineffective in keeping the lucky few who do qualify for British passports in Hong Kong," spokesman Mr Tom Hope said.

"Now we fear that the nationality package will bring about the very exodus of which the British Government, in the worst tradition of 'little England' pragmatic policy making, says it is aiming to prevent. Viewed as the first small step in the right direction, we welcome the Government's package."

"Taken, as Hong Kong has been asked to take it, as all that Hong Kong is going to get from Britain, it is a divisive and dishonourable gesture of dismissal by Britain of the needs and aspirations of Britain's Hong Kong British subjects."

SRV Refugees Resort to Mainland Overland Route

HK2712014389 Hong Kong SOUTH CHINA MORNING POST in English 27 Dec 89 pp 1, 2

[By Simon Macklin]

[Text] Increasing numbers of Vietnamese "boat people" arriving in Hong Kong are reaching the territory after travelling by bus and train through China.

This has contributed to an increase of more than 1,000 percent in the total number of arrivals this year compared with two years ago.

Officials are concerned about this growing trend, with more than 70 percent of this month's Vietnamese arrivals having used buses and trains to travel through China.

The trend has contributed to the increase in arrivals, with 34,102 Vietnamese reaching Hong Kong this year—nearly twice the number of arrivals last year, and more than 10 times the 3,395 who arrived in 1987.

Hong Kong officials are understood to be angry that China appears to be doing little to stem the increasing number of arrivals.

Intelligence gathered by Hong Kong officials shows that even Vietnamese from the south of Vietnam are using the land route because it is believed to be safer and less expensive than the sea route.

Figures for the first three weeks of this month show a total of 133 boat people—representing just over 70 percent of total arrivals—reaching Hong Kong after travelling overland through China.

The total number of people believed to have taken advantage of the overland route this year is believed to be almost 2,100—more than the total number of arrivals only three years ago.

According to confidential figures gathered by the Government, August saw the greatest number of Vietnamese reaching Hong Kong by the overland route.

During that month, 599 Vietnamese reached Hong Kong after travelling by bus or train. This represents 13 ½ percent of the total 4,441 Vietnamese reaching the territory that month.

"There is a problem but we are not going to comment on it because it is so sensitive," one senior Security Branch official said.

Officials say that poor weather conditions during the winter months, including unfavourable winds, make it difficult for small boats to reach Hong Kong from Vietnam, and this is partly the reason for the increased proportion of arrivals via the overland route this month.

Last month, 28 percent of arrivals came by land; for October the figure was almost 30 percent.

The problem has been raised with Chinese officials on a number of occasions and at various levels. But provincial authorities across the border appear reluctant to take action.

Beijing authorities are determined that Hong Kong should have resolved the problem of the Vietnamese boat people by the time Chinese sovereignty is resumed. But some Hong Kong officials believe the mainland Government could do more to help.

Some observers believe provincial Chinese authorities would rather encourage the Vietnamese to head for Hong Kong than take the responsibility for trying to send them back to Vietnam.

Violence Continues in SRV Refugee Camps

Four Police Injured

HK2312024589 Hong Kong SOUTH CHINA MORNING POST in English 23 Dec 89 p 2

[Text] Four policemen were slightly injured after being stoned by Vietnamese boat people at the Shek Kong detention centre yesterday.

It was not clear what started the incident but a group of about 200 boat people began throwing stones at police guarding the camp shortly after 5 pm when the evening meal was being delivered from a Government kitchen in Kowloon.

Police arrested two Vietnamese men, aged 20 and 23 years, in the camp.

Meanwhile, 64 Vietnamese, who were screened out as non-refugees were awarded refugee status yesterday on the advice of the United Nations High Commissioner for Refugees.

The 64 were moved from the Chi Ma Wan detention centre to the Pillar Point refugee camp where they will await resettlement.

One Dies in Camp Fight

OW2912184189 Beijing XINHUA in English 1035 GMT 29 Dec 89

[Text] Hong Kong, December 29 (XINHUA)—One Vietnamese man was killed and 11 others injured during two fights occurred inside the Shek Kong Vietnamese Boat People Detention Center here on Thursday night.

The death of the 25-year-old Vietnamese man who was allegedly attacked during a fighting incident inside the center was classified as a case of homicide.

The two fights broke out separately at about 8:00 pm and 10:40 pm involving two rival groups from Quang Ning Province and were said to be over the allocation of food rations.

About 50 police emergency unit officers armed with batons and shields entered the camp about 0:30 early this morning to search for weapons.

It is estimated that less than 100 people were actually involved in the fights and a quantity of home-made weapons, including swords and lances were seized during subsequent searches.

Police Quell Riot; 40 Injured

HK3012020989 Hong Kong SOUTH CHINA MORNING POST in English 30 Dec 89 pp 1, 4

[By Simon Macklin]

[Text] About 400 police and Correctional Services Department (CSD) officers used tear-gas to quell a riot at the Chi Ma Wan detention centre yesterday which left at least 40 people injured.

The conflict broke out early in the morning but continued throughout the day. There were pitched battles between officers in riot gear and boat people armed with makeshift weapons and using women and children as shields.

Relief agency workers and police said the disturbance seemed to be well planned and the boat people's strategy was to keep CSD officers out of the camp.

The disturbance began when police and additional CSD officers went to Chi Ma Wan at 7.30 am to search for weapons. They were concerned that violence might erupt as a result of recent tension.

A letter from one of the 51 boat people recently forced to return to Vietnam is circulating camps. In it she

describes how she was removed from Chi Ma Wan by prison guards in riot gear and sent to a small holding prison near the airport ready for deportation.

Relief agency workers say the letter purports to have been written by the woman since she was sent back to Vietnam.

"My husband, my children and I struggled with all our energy, but it wasn't enough to win against such an assault," she wrote in a letter translated by a foreign church group working with the Vietnamese in Hong Kong.

"They squeezed my husband's neck so hard it choked him to the point that tonight he cannot even take a swallow of rice soup.

"I hope that you at the (Chi Ma Wan) camp will organise together to avoid a new transfer."

A spokesman for the Hong Kong Government denied any knowledge of the letter but said a message had been sent back to Hong Kong from another member of the group repatriated against their will.

Yesterday's disturbance came after the inmates were given an hour's warning that officers intended to carry out a search. The boat people immediately began to protest and threw stones, forcing staff to retreat.

Boat people in Chi Ma Wan have vowed to resist forced repatriation. In a letter to the SOUTH CHINA MORNING POST last week they warned they would match force with force if any attempt was made to move them from the camp.

The 3,261 detainees housed in both the upper and lower sections of Chi Ma Wan have all been screened out as not qualifying for refugee status and the Government has said they will be sent back to Vietnam.

The Secretary for Security, Mr Geoffrey Barnes, said the Chi Ma Wan detainees had refused to co-operate with the search and this led to the conflict.

Sixteen police officers, 10 CSD officers and 14 boat people were injured in the riot. Two boat people were being treated in Queen Mary Hospital, but the other casualties were said to be minor.

Twenty-seven boat people were arrested and police said six of them were expected to be charged with criminal offences.

Police and CSD, with voluntary workers and staff from the office of the United Nations High Commissioner for Refugees, tried to negotiate with the boat people for more than five hours in a bid to reach an agreement to enter the camp, Mr Barnes said.

The negotiators tried to persuade the boat people to hand over the weapons before officers entered the camp, but the Vietnamese camp leaders refused to cooperate.

Mr Barnes said many of the boat were armed and put up tough resistance.

Vietnamese men pushed women and children to the front to make it more difficult for police and CSD officers trying to quell the disturbance.

So the officers had been forced to use tear-gas.

"In the end, it was necessary for tear smoke to be used to disperse the crowds and to reduce the possibility of serious injuries."

Officers used tear-gas as they stormed the upper camp at about 1.30 pm. In the confusion a number of small fires were caused in the camp and outside, and the Fire Services Department was called in.

Boat people climbed on to the roofs of huts in the camp and threw rocks and sticks at officers.

Order was restored in the upper camp by 2.30 pm, but it took another 90 minutes before the officers were able to move into the lower camp and fighting continued until another volley of tear-gas was used.

Full order was restored to the camps shortly after 6.30 pm.

One senior CSD officer involved in the operation said he had been shocked by how well organised the resistance had been.

The inmates appeared to have been organised by a small group of more "militant" boat people, he said.

Relief agency workers said the boat people had been discussing plans to resist police and CSD officers over the past few weeks.

More than 700 weapons, mostly homemade knives and lances, were seized after the search of the upper and lower camps.

Meanwhile the eighth batch of boat people to volunteer to return to Vietnam flew to Hanoi yesterday, while conflicting reports were received in Hong Kong from the 51 who were sent back against their will earlier this month.

The 111 boat people who went back yesterday—72 men, 29 women and 10 children—bring the number who have returned home voluntarily since March this year to 874.

Staff from the office of the United Nations High Commissioner for Refugees say there are about 1,000 more boat people who have asked to be sent home awaiting clearance from the Vietnamese authorities.

The British Ambassador in Hanoi, Mr Emrys Davies, has visited one of the forced returnees, Mr Le Van Minh, at his home in Hai Phong and has transmitted a message to Hong Kong.

The spokesman said Mr Le Van Minh wanted his friends in Hong Kong to know he was well and had been well

received by the Vietnamese authorities. The message was passed on to the boat people in Chi Ma Wan.

Column Views Dilemma

*HK3112071289 Hong Kong SUNDAY STANDARD
in English 31 Dec p 8*

[“Sunday Standard Opinion” column]

[Text] A crisis of nightmarish proportions is emerging in the camps for boat people in Hong Kong.

Most of us are thankfully distanced from the terrifying and vicious armed conflicts behind the fences.

But the stark reality now confronting the police and Correctional Services Department officers burdened with the task of keeping order is an imminent, if isolated, bloody revolt inside the campus.

They face an awful, impossible task. Policemen and prison guards should not be expected to wage battle in any circumstance.

In the camp riots, which are becoming daily events, and now being predicted to escalate, their lives are at risk. Vastly outnumbered and armed only with batons, they are virtually defenceless against the armies of desperados—the ex-convicts and Vietnam War veterans and gangsters—who have nothing to lose from mounting reigns of terror now their dreams of a new life have been dashed and only forced repatriation looms for them.

They are filled with hate and armed to the teeth with frightful home-made weapons.

At Chi Ma Wan, the inmates who have already been refused refugee status, and know they face being sent home, have announced their determination to fight.

The thugs are believed to represent 20 percent of the boat people population and are not only challenging the authority of their overseers, but also terrorising the large numbers of peaceful Vietnamese—the majority who are resigned to their fate.

The inescapable fact is that this terrible boat people affair is doomed to a tragic climax unless immediate and forceful action is taken to avert it.

Clearly, reinforcements are desperately needed to man the camps. They must be suitably trained to fight rioters and be armed.

This level of military expertise, which is needed at short notice, might only exist in the British army.

The second priority must be to identify and detach the paramilitary elements in the camps, then ship them back to Vietnam.

Any entitlement they may have once had to fair consideration of their status—as refugees or migrants—must

surely have been forfeited. Anyway no country in its right mind would consider offering asylum to these thugs.

Finally, the United Nations High Commissioner for Refugees, which is emerging in a miserable light from this torrid business, principally for pursuing broad political goals rather than addressing the localised issue at hand, must review its role.

There is precious little time left. All involved must devote their time to avoiding violence and suffering on a large scale.

There is no choice. Those who waste what time there is left will emerge with blood on their hands.

Bank Predicts ‘Dull’ Outlook for Territory

*HK3112073689 Hong Kong SOUTH CHINA
SUNDAY MORNING POST in English 31 Dec 89 p 1*

[By David Connell]

[Text] The outlook for Hong Kong in 1990 is dull according to an end-of-year review by the Hong Kong and Shanghai Bank.

Political uncertainty and the fall-out from the Tiananman Square massacre in China with its adverse knock-on effect on investment and productivity is likely to continue, the report predicts.

It also says the territory's economy will be sluggish, and exports modest with inflationary pressure putting the brake on growth in the New Year.

The events in Beijing in June this year were a severe setback for Hong Kong's relationship with China, the Bank says, and is likely to make no contribution to Hong Kong's growth next year as result.

It estimates the territory's gross domestic product will grow by only three per cent in 1990 compared with the past four years which witnessed a 40 per cent surge in GDP.

It forecasts consumer price increases at between 8.5 and nine per cent.

“Hong Kong has enjoyed several years of very rapid growth...turnover in many lines of business has jumped, while asset values have multiplied. Finding a job has not been a problem for most workers and wages for many have recorded substantial increases in real terms despite the acceleration of inflation.”

“Overall, 1990 seems likely to be a relatively dull year for Hong Kong's economy, it is a year for further adjustment in the tight labour market and high inflation,” it says.

The Bank recommends businessmen use the lull to take stock of their situation and make the necessary preparations for the future.

If carried out properly the Bank's analysts predict this will lay the groundwork for faster growth in years to come.

The period of adjustment could last until 1991, the Bank says.

The impact of China over the last decade has been enormous, the review says.

"However, it suffered a severe setback in June this year and thereafter, partly as a result of the tightening economic austerity program, but more because of some local citizens' and foreign investors' changed perceptions of China's politics and policies," it adds.

The drawbacks for investment and productivity of uncertainty on the mainland will continue, it says.

This fact was dramatically demonstrated when the Hong Kong stock market fell more than 50 points on Friday after rumours of impending unrest in Beijing.

The review says the effect should gradually diminish during the year. When this happens Hong Kong's economy could pick up again, it adds.

"Domestically, Hong Kong is still adjusting to a new political climate. Local citizens's confidence in the viability of the 'one country, two systems' concept has recovered slightly, but is still below the levels of the last few years.

"Although this is not expected to cause any major, immediate economic problems, much remains to be done to reassure investors, as well as local employees with internationally marketable skills to commit themselves to the longer term future of Hong Kong."

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